

MODISON METALS LIMITED

Regd. Office: 33 Nariman Bhavan, 227 Nariman Point, Mumbai-400 021

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CIN No: L51900MH1983PLC029783

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTY SIXTH ANNUAL GENERAL MEETING OF MODISON METALS LIMITED will be held at Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai-400005 on Tuesday, 6th August, 2019 at 11.30 A.M., to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited financial statements of the Company for the year ended March 31st, 2019, the Director's Report and Auditor's Report.
2. To confirm the Interim Dividend of Re.1 per equity share, already paid during the year for the year ending March 31st, 2019.
3. To declare final dividend on equity shares of Re.0.50 per equity share for the financial year ended March 31st, 2019 as recommended by the Board of Directors of the Company.
4. To appoint a Director in place of Mr. Suresh Mody (DIN No: 00027432), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Rajkumar Modi (DIN No: 00027449), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s) if any, the following as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company be and hereby ratifies the appointment of M/s. N. Ritesh & Associates, Cost Accountant (N. Ritesh, Proprietor) (Certificate of Practice No.R100675), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost accounting records of the Company for the financial year ending 31st March, 2020 be paid professional fees of Rs.50,000/- (Rupees Fifty Thousand only) plus goods and service tax as applicable.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

7. To appoint Mr. Rajkumar Modi, Joint Managing Director and in this regard to consider and if thought fit, to pass with or without modification(s) , the following resolution as a **Special Resolution:-**

“RESOLVED THAT subject to the approval of the Company pursuant to the provisions of Section 2(78), 196 read with Schedule V , the rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Mr. Rajkumar Modi (DIN No: 00027449) as a Joint Managing Director of the Company, with effect from 01.02.2019 on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said appointment as specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

8. To fix remuneration of Mr. Rajkumar Modi, Joint Managing Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:-**

“RESOLVED THAT subject to the approval of the Company pursuant to the provisions of Section 2(78), 196, 197 read with Schedule V , the rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Mr. Rajkumar Modi (DIN No: 00027449) as a Joint Managing Director of the Company, for a period of 3 (three) years with effect from 01.04.2019 to 31.03.2022 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT in any financial year, if the Company has no profits or its profits are inadequate, the Company pays Mr. Rajkumar Modi, remuneration by way of salary, perquisites and allowances as set out in the Agreement as Minimum Remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

9. To reappoint and fix remuneration of Mr. Kumar Jay Modi (DIN No: 00059396) as a Whole-time Director and in this regard to consider and if thought fit, to pass with or without modification(s) ,the following resolution as **Special Resolution:-**

“RESOLVED THAT subject to the approval of the Company pursuant to the provisions of Section 2(78), 2(94), 196, 197 read with Schedule V , the rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval of the

Company be and is hereby accorded to the reappointment of Mr. Kumar Jay Modi (DIN No: 00059396) as a Whole-time Director of the Company, for a period of 3 (three) years with effect from 01.04.2019 to 31.03.2022 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said appointment and/ or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT in any financial year, if the Company has no profits or its profits are inadequate, the Company pays Mr. Kumar Jay Modi, remuneration by way of salary, perquisites and allowances as set out in the Agreement as Minimum Remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

10. To confirm appointment of Mr. R.A.Goenka (DIN No: 00140376) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s) , the following resolution as **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149,150,152 read with Schedule IV and all the other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b),17(1) and 25 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mr. R.A.Goenka (DIN No: 00140376), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the said Act and who is eligible for re-appointment, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of a Director, be and is hereby appointed for the second term as an Independent Director of the Company, to hold office for five consecutive years from April 1st,2019 to March 31st,2024.”

11. To confirm appointment of Mrs. Rita Bhatia (DIN No: 06973893) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s) , the following resolution as **Special Resolution:-**

“RESOLVED THAT pursuant to the provisions of Sections 149,150,152 read with Schedule IV and all the other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16(1)(b), 17(1) and 25 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, Mrs. Rita Bhatia (DIN No: 06973893), Independent Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the said Act and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of a Director, be and is hereby appointed for the second term as a Women Independent Director of the Company, to hold office for five consecutive years from October 27th, 2019 to October 26th, 2024.”

12. To approve professional fees of Mr. Suresh Mody, Director and consultant of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT consent of the Company be and is hereby accorded under Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, authorising the said Mr. Suresh Mody, Director of the Company to be appointed as a consultant of the Company and draw Professional charges of Rs.15,00,000/- per annum plus GST, as applicable for the F.Y 2019-2020.”

13. To approve continual service of Mr. Suresh Mody as Non Executive Director of the Company on attaining 75 years of age and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of Members be and is hereby accorded to Mr. Suresh Mody (DIN 00027432), Non Executive Director of the Company, to continue to hold office of Non Executive Director of the Company after attaining age of 75years on 23rd October,2019.

MUMBAI, 28th May, 2019

By Order of the Board
For **MODISON METALS LTD.,**

Registered Office:

33 Nariman Bhavan
227 Nariman Point
Mumbai- 400 021.

G. L. MODI
Managing Director

NOTES:

- a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote instead of himself/herself. Such a proxy need not be a member of the Company.

The Proxy form must be deposited at the Registered Office of the Company duly completed and signed not later than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolutions/ authority, as applicable.

- b) A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.
- c) Members/ proxies should bring their Attendance Slips duly filled in for attending the meeting.
- d) Members are requested to note that the company's shares are under compulsory demat trading for all the investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.

- e) Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their email address, bank details, ECS mandates, nominations, power of attorney, change of address/ name etc. to their depository participant only and not to Company or its registrar and transfer Agent. The said intimation will be automatically reflected in the Company's records.
- f) The Register of Members and transfer books of the Company will be closed from 30.07.2019 to 06.08.2019 (Both days inclusive).
- g) The dividend, after declaration will be paid to those shareholders whose names stand on the Register of Members on 6th August, 2019. The dividend in respect of Shares held in the electronic form will be paid to beneficial owners of the shares whose names appear in the list furnished by the Depositories for this purpose as on 6th August, 2019. The dividend will be paid by 4th September, 2019 to the Shareholders.
- h) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company / Registrar.
- i) The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. As per the Circular No.17/2011, dated 21.04.2011 and Circular No.18/2011, dated 29.04.2011 issued by the Ministry of Corporate Affairs, companies can now send various notices/documents (including notices, annual report, etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders.
- j) Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically with Depository Participant or Registrar.
- k) Members are hereby informed that Dividend which remains unclaimed/ un-encashed over a period of 7 years, has to be transferred as per the provisions of Section 124(6) of the Companies Act, 2013, by the Company to The Investor Education & Protection Fund", constituted by the Central Government under Section 125 of the Companies Act, 2013.

Hereunder are the details of Dividends paid by the Company and their respective due dates of transfer of unclaimed/ un-encashed dividends to the designated fund of the Central Government:-

Date of Declaration of Dividend	Dividend for the year	Due date of transfer to the Government
07.08.2012	2011-2012	06.08.2019
10.09.2013	2012-2013	09.09.2020
09.09.2014	2013-2014	08.09.2021
11.08.2015	2014-2015	10.08.2022
09.03.2016 (Interim Dividend)	2015-2016	08.03.2023
17.02.2017 (Interim Dividend)	2016-2017	16.02.2024
02.02.2018(Interim Dividend)	2017-2018	01.02.2025
07.08.2018 (Final Dividend)	2017-2018	06.08.2025

It may please be noted that once the unclaimed/ un-encashed dividend is transferred to “The Investor Education & Protection Fund”, as above, no claim lie in respect of such amount by the shareholder.

- l) Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority (‘IEPF Account’) within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company had transferred 125 equity shares of Re.1/- each to the IEPF Account on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the F.Y 2010-11 and due date as 25th July, 2018 after following the prescribed procedure.

Further, all the shareholders who have not claimed/ encashed their dividends in the last seven consecutive years from 2011 are requested to claim the same by 24th August, 2018. It was also informed that in case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer for the dividend of 2010-2011 are uploaded on the “Investors Section” of the website of the Company viz. www.modison.com

- m) The Company is listed at:
BSE Ltd,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001.
The listing fees have been paid in time.
- n) As per the requirements of Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors is given below:

	Name of the Director	Mr. Suresh Mody	Mr. Rajkumar Modi
i)	Date of birth	23.10.1944	08.03.1965
ii)	Date of Appointment	01.01.1997	09.06.1998
iii)	Qualification	B.Com, LLB	B.Com., MBA
iv)	Expertise in specific functional area	52 years experience in Finance and Taxation.	He has sharp business acumen, stronghold in export market and excellent administrative skills.
v)	List of other public limited companies (in India) in which outside directorship held	None	None
vi)	Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None
vii)	Relationship with other Director	None	None

	Name of the Director	Mr. Kumar Jay Modi	Mr. R.A.Goenka
i)	Date of birth	05.12.1978	15.07.1942
ii)	Date of Appointment	01.04.2012	01.04.2014
iii)	Qualification area	B.Com	B.A
iv)	Expertise in specific functional International Sales & Marketing	International Sales & Marketing	Business Management & Marketing - Overseas
v)	List of other public limited companies (in India) in which outside directorship held	None	None
vi)	Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None
vii)	Relationship with other Director	Son of Mr. G.L.Modi	None

Name of the Director	Mrs. Rita Bhatia
Date of birth	20-11-1949
Date of Appointment	01-04-2014
Qualification	LLB
Expertise in specific functional area	Legal
List of other public limited companies (in India) in which outside directorship held	None
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which she is a Director	None
Relationship with other Director	None

The Annual Report 2018-2019 as circulated to the members of the Company is also available on the website of the Company www.modison.com

Voting through electronic means

- I In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM)/ EGM/ EOGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV The remote e-voting period commences on 02.08.2019 (9.00AM) to 05.08.2019 (5.00PM). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 30th July, 2019, may cast their vote by e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)].

The process and manner for remote e-voting are as under

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

	Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mail@csruginichokshi.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/

Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

VI In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID
PASSWORD/PIN	

(ii) Please follow all steps as mentioned above, to cast vote.

VII If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com

VIII You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 30th July, 2019.

X Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 30th July, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in /RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

XI A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM

XII A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- XIII M/s. Ragini Chokshi & Co., a firm of Practising Company Secretary (Firm Registration No: BA92897) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, **not later than three days of the conclusion of the AGM** a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.modison.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

EXPLANATORY STATEMENT U/S 102(1) OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE**Item No. 6**

The Board, on the recommendation of the Audit Committee, has approved at their meeting held on 28th May, 2019 the appointment of M/s. N. Ritesh & Associates (Certificate of Practice No.R100675), Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended March 31st, 2020, at a remuneration of Rs.50,000/-(Rupees Fifty Thousand only) plus goods and service tax as applicable, subject to ratification by shareholders.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at item no. 6 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

None of the Directors/Key Managerial Personnel of the Company/their relatives are concerned or interested in the proposed resolution.

The Board recommends this Resolution for your approval.

Item No.7 & 8

The Board of Directors of the Company (the 'Board') at its Meeting held on January 31st, 2019 appointed Mr. Rajkumar Modi as Joint Managing Director pursuant to the provisions of Section 196 of the Companies Act, 2013 (the 'Act').

Mr. Rajkumar Modi is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Further, the Board appointed, subject to the approval of Members, Mr. Rajkumar Modi as Joint Managing Director of the Company, with effect from 01.02.2019. The remuneration to Mr. Rajkumar Modi as Joint Managing Director of the Company is with effect from 01.04.2019 to 31.03.2022.

It is proposed to seek Members' approval for the appointment of and remuneration payable to Mr. Rajkumar Modi, as Joint Managing Director, in terms of the applicable provisions of the Act.

Broad particulars of the terms of appointment and remuneration payable to Mr. Rajkumar Modi is as under:

Salary:

- (i) Basic Salary: Rs. 4,87,000/- per month in the scale of Rs.4,87,000~ Rs.11,71,000 per month with such increase within the scale as the Board may sanction from time to time.
2. Perquisites and Allowances:

- i) In addition to the salary payable, the Joint Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, cash allowances, allowances for utilities such as gas, electricity, water etc., medical reimbursement, club fees, leave travel concession for himself and his family, personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and Mr. Raj Kumar Modi; such perquisites and allowances will be subject to a maximum of 100% of annual salary.
 - ii) Company's contribution to Provident Fund to the extent to which it is not taxable under the Income Tax Act, Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the salary or perquisites aforesaid.
 - iii) The provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and the use of the car for private purposes shall be billed by the Company to the individual appointee concerned.
3. The above salary & perquisites may be increased from time to time as decided by the Committee/ Board, but shall not exceed Rs.300 Lac per annum.
4. The Joint Managing Director agrees to give an undertaking to the Company that he shall not so long as he functions as Joint Managing Director of the Company be interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future.
5. Subject to the provisions of the Companies Act, 2013, and any other laws for the time being in force, the Joint Managing Director shall not be liable to the acts, receipts, neglects or defaults of any Director, Officer or employee of the Company or for any other loss, damage or misfortune whatever which shall happen in execution of the duties of his office or in relation thereto, unless the same happens through his own wilful default or otherwise.
6. The remuneration shall be paid in accordance with the provisions of Part II of the Schedule V of The Companies Act, 2013.
7. In case of no profits or inadequate profits, he shall be paid the above remuneration as minimum remuneration.
8. The terms as herein contained are without prejudice to any changes in the Government Policy or any action that may be taken by the Government in pursuance of the provisions of The Companies Act, 2013 or any amendment thereto that may be enacted by parliament from time to time.

The Agreement between the Company and the Joint Managing Director is available for inspection by the Members at the Company's Registered Office between 10.00 a.m. and 12.00 noon on any working day up to the date of Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Rajkumar Modi for whom the resolution relates, are concerned or interested in the resolution.
The Board recommends this Resolution for your approval.

Item No.9

The Board of Directors of the Company (the 'Board') at its Meeting held on January 31st, 2019 re-appointed Mr. Kumar Jay Modi as Whole time Director pursuant to the provisions of Section 196 of the Companies Act, 2013 (the 'Act').

Mr. Kumar Jay Modi is not disqualified from being appointed as Director in terms of Section 164 of the Act. Further, the Board re-appointed, subject to the approval of Members, Mr. Kumar Jay Modi as Whole time Director of the Company, for a period of three years with effect from 01.04.2019 to 31.03.2022.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Mr. Kumar Jay Modi as Whole time Director, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment and remuneration payable to Mr. Kumar Jay Modi is as under:

1. Salary: Rs.4,48,000/- per month in the scale of Rs.4,48,000~ Rs.11,71,000 per month with such increase within the scale as the Committee/ Board may sanction from time to time.
2. Perquisites:
 - i) In addition to the salary payable, the Wholetime Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, cash allowances, allowances for utilities such as gas, electricity, water etc., medical reimbursement, club fees, leave travel concession for himself and his family, personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors and Mr. Kumar Jay Modi; such perquisites and allowances will be subject to a maximum of 100% of annual salary.
 - ii) Company's contribution to Provident Fund to the extent to which it is not taxable under the Income Tax Act, Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure shall not be included in the computation of limits for the salary or perquisites aforesaid.
 - iii) The provision of a car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and the use of the car for private purposes shall be billed by the Company to the individual appointee concerned.
3. The above salary & perquisites may be increased from time to time as decided by the Committee/ Board, but shall not exceed Rs.300 Lac per annum.

4. The Wholetime Director agrees to give an undertaking to the Company that he shall not so long as he functions as Wholetime Director of the Company be interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company in future.
5. Subject to the provisions of the Companies Act, 2013, and any other laws for the time being in force, the Wholetime Director shall not be liable to the acts, receipts, neglects or defaults of any Director, Officer or employee of the Company or for any other loss, damage or misfortune whatever which shall happen in execution of the duties of his office or in relation thereto, unless the same happens through his own wilful default or otherwise.
6. The remuneration shall be paid in accordance with the provisions of Part II of the Schedule V of The Companies Act, 2013.
7. In case of no profits or inadequate profits, he shall be paid the above remuneration as minimum remuneration.
8. The terms as herein contained are without prejudice to any changes in the Government Policy or any action that may be taken by the Government in pursuance of the provisions of The Companies Act, 2013 or any amendment thereto that may be enacted by parliament from time to time.

The Agreement between the Company and the Whole time Director is available for inspection by the Members at the Company's Registered Office between 10.00 a.m. and 12.00 noon on any working day up to the date of Annual General Meeting.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Kumar Jay Modi for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No.10

Mr. R.A.Goenka is considered as an Independent Director under Regulation 16(1)(b),17 and 25 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. R.A.Goenka proposed to be appointed as an Independent Director for the second term of 5years and he also fulfills the conditions specified in the section 149(6) and other applicable provisions of the Companies Act, 2013 and rules made thereunder and Regulation 16(1) (b),17 and 25 of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and that the proposed director is independent of the management.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. R.A.Goenka for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No.11

Mrs. Rita Bhatia is considered as an Independent Director under Regulation 16(1)(b), 17 and 25 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mrs. Rita Bhatia proposed to be appointed as an Independent Director for the second term of 5 years and she also fulfills the conditions specified in the section 149(6) and other applicable provisions of the Companies Act, 2013 and rules made thereunder and Regulation 16(1) (b), 17 and 25 of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and that the proposed director is independent of the management.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mrs. Rita Bhatia for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No. 12

The Board of Directors at its meeting held on 28th May, 2019 had approved the professional fees charges @ Rs.15,00,000/- per annum plus service tax, if applicable, to Mr. Suresh Mody, Director and consultant of the Company for financial year 2019-2020, subject to approval of the Company in the General Meeting by a Special Resolution.

Mr. Suresh Mody is well qualified with a wide experience in the field of Legal, finance and taxation for 52 years.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Suresh Mody for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

Item No. 13

The Securities and Exchange Board of India (SEBI) has amended the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 vide circular dated May 9, 2018 which requires continuance of any Non-Executive Director who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution in terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Though Mr. Suresh Mody can hold office under the erstwhile resolution, he will be crossing 75 years of age during the term of his appointment. Hence this Special Resolution is placed before the shareholders in order to comply with the aforesaid circular.

The Board of Directors at its meeting held on 28th May, 2019 had approved the continuation service of Mr. Suresh Mody, Non Executive Director of the Company on attaining of 75 years of age as per Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations), 2015, subject to approval of the Company in the General Meeting by a Special Resolution.

Mr. Suresh Mody is well qualified with a wide experience in the field of Legal, finance and taxation for 52years. None of the Directors/Key Managerial Personnel of the Company/their relatives except Mr. Suresh Mody for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends this Resolution for your approval.

MUMBAI, 28th May, 2019

Registered Office:

33 Nariman Bhavan
227 Nariman Point
Mumbai- 400 021.

By Order of the Board
For **MODISON METALS LTD.,**

G. L. MODI
Managing Director

STATEMENT GIVING INFORMATION TO SHAREHOLDERS AS REQUIRED BY SCHEDULE V OF THE COMPANIES ACT, 2013 IN TERMS OF ITEM NO. 7, 8 REGARDING APPOINTMENT OF MR.RAJKUMAR MODI AS JOINT MANAGING DIRECTOR.

I. General information:			
1) Nature of Industry:	Manufacturing (Electrical Contact Industry)		
2) Date or expected date of commencement of commercial production:	21 st October, 1985		
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable		
4) Financial performance based on given indicators:	Rs. In Lakhs		
		F.Y 2018-19	F.Y 2017-18
	Revenue & Other Income (Net of Excise Duty)	22,141.03	20,267.38
	Net Profit before tax	2,445.39	2,350.66
	Export	4,504.08	3,239.32
5) Foreign investments or collaborations, if any:	No Foreign investments or collaborations. Not Applicable		
II. Information about the appointee:			
1) Background details:	In 1991, after passing MBA (INTL,MGT) from University of Dallas, Texas, USA, Mr. Rajkumar Modi started the career as a Director looking full time into the daily affairs of business from purchasing to marketing end to end responsibility. Later on the market was expanded globally from Japan to Brazil covering most of the developed countries. In 2001, he became the Whole-Time Director getting more responsibility in looking at newer market and new product introduction. He was instrumental in launching Medium Voltage Contact parts for use in Vacuum Interrupters Devices. Also developing import substitute items like Spiral Spring Contacts. He is advised by team of professionals working towards achieving the goals set up by the Company's Management.		
2) Past remuneration:	Following remuneration is being paid to him by the Company till date: Salary: Rs. 4,05,000/- per month in the scale of Rs.4,05,000/- to Rs.5,05,000/- per month Perquisites: Restricted to 50% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.8,33,333/- per month		

3) Recognition or Awards:	MODISON Silver bars are recognised as 'Good Delivery Bar' by the Reserve Bank of India and India Government Mint. Our contacts have been tested and successfully type approved by various agencies like CESI- Italy, KEMA Laboratories-Holland and CPRI- Bangalore- India.
4) Job profile and his suitability:	The Joint Managing Director shall exercise and perform such power and duties as the Board of Directors of the Company shall from time to time determine, and subject to any directions and restrictions from time to time given and imposed by the Board, Joint Managing Director shall have the general control, management and superintendence of the business of the Company in the ordinary course of the business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.
5) Remuneration proposed:	Salary: Rs. 4,87,000/- per month in the scale of Rs.4,87,000/- to Rs.11,71,000 per month Perquisites: Restricted to 100% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.300Lacs p.a
6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	It is difficult to get a person of his calibre particularly in Electrical /HVC-SF6 Contacts Industry. Person abroad of his experience would not get less than Rs. 250 Lakhs p.a.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	Promoter of the company appointed as Joint Managing Director of the company
III. Other information:	
1) Reason of loss or inadequate profit:	The company is a leading manufacturer of electrical contacts / hvc/SF6 Contacts used in transmission, distribution and utilization of power. Since its business area predominantly relates to infrastructure facilities in the power and other industrial sector, the pace of progress in these sectors to a large extent affects the results of the company. As there was no significant addition in real terms in power manufacturing capacity and addition in Transmission and Distribution facilities for power, it has an immediate negative effect on demand growth.
2) Steps taken or proposed to be taken for improvement:	A focused restructuring program with thrust on improving efficiency of operations, cost control, restructuring of debt, aggressive Working Capital management and also a re-direction to the company's marketing efforts.

3) Expected increase in production and profits in measurable terms:	The company hopes to achieve a turnover of Rs.25,000 Lakhs and net profit before tax of Rs.2,750 Lakhs in Financial Year: 2019-2020. The effect of expansion and restructuring will improve further the results of the company in coming years.
IV. Disclosures:	
1. The shareholders of the Company shall be informed of the remuneration package of the managerial personnel.	
2. The following disclosures shall be mentioned in the Board of Directors Report under the heading "Corporate Governance", if any, attached to the annual report:	
i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	
ii) Details of fixed components and performance linked incentives along with the performance critics;	
iii) Service contracts, notice period, severance fees;	
iv) Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	

MUMBAI, 28th May, 2019

Registered Office:

33 Nariman Bhavan
227 Nariman Point
Mumbai- 400 021.

By Order of the Board
For **MODISON METALS LTD.,**

G. L. MODI
Managing Director

STATEMENT GIVING INFORMATION TO SHAREHOLDERS AS REQUIRED BY SCHEDULE V OF THE COMPANIES ACT, 2013 IN TERMS OF ITEM NO. 9 REGARDING APPOINTMENT OF MR.KUMAR JAY MODI AS WHOLE-TIME DIRECTOR.

II. General information:			
1) Nature of Industry:	Manufacturing (Electrical Contact Industry)		
2) Date or expected date of commencement of commercial production:	21 st October, 1985		
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not Applicable		
4) Financial performance based on given indicators:	Rs. In Lakhs		
		F.Y 2018-19	F.Y 2017-18
	Revenue & Other Income (Net of Excise Duty)	22,141.03	20,267.38
	Net Profit before tax	2,445.39	2,350.66
	Export	4,504.08	3,239.32
5) Foreign investments or collaborations, if any:	No Foreign investments or collaborations. Not Applicable		
II. Information about the appointee:			
1) Background details:	<p>After Graduation, Mr Kumar Jay Modi got trained in tool room then got experience in Purchase dept. In Sales and Marketing he introduced Silver products to European market and Copper products to American market. Also he was the force behind developing import substitutes for one of the Navratna companies in India. He was welcomed as Director in the board of the company in 2012. At present, his focus is for the organic and inorganic growth of the group.</p> <p>Mr Jay Modi worked on securing the supply chain for overall input material of HV business .He is instrumental in launching new business vertical of flatware .Under his guidance company has worked to make overall supply chain management robust and effective.</p>		
2) Past remuneration:	<p>Basic Salary Rs. 3,55,000/- per month in the scale of Rs.3,55,000 – Rs.5,05,000</p> <p>Perquisites: Restricted to 50% of annual salary</p> <p>Other Benefits :As per Rules of the Company</p> <p>Maximum Remuneration: Rs.100Lacs p.a.</p>		

3) Recognition or Awards:	MODISON Silver bars are recognised as ‘Good Delivery Bar’ by the Reserve Bank of India and India Government Mint. Our contacts have been tested and successfully type approved by various agencies like CESI- Italy, KEMA Laboratories-Holland and CPRI- Bangalore- India.
4) Job profile and his suitability:	The Whole-time Director shall perform such duties as the Company may require him to do from time to time and devote his whole-time and attention and do the utmost of his power and ability for the benefit of the Company. The Whole-time Director with strong hold in export market and excellent administrative capabilities is suitable for the Company.
5) Remuneration proposed:	Basic Salary Rs.4,48,000/- per month in the scale of Rs.4,48,000/- to 11,71,000/- per month. Perquisites: Restricted to 100% of annual salary Other Benefits :As per Rules of the Company Maximum Remuneration: Rs.300Lacs p.a.
6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Rs.200 Lakhs per annum.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:	Promoter of the Company appointed as Whole-time Director of the Company w.e.f 01.04.2012
III. Other information:	
1) Reason of loss or inadequate profit:	The Company is a leading manufacturer of electrical contacts/hvc/SF6 Contacts used in transmission, distribution and utilization of power. Since its business area predominantly relates to infrastructure facilities in the power and other industrial sector, the pace of progress in these sectors to a large extent affects the results of the Company. As there was no significant addition in real terms in power manufacturing capacity and addition in Transmission and Distribution facilities for power, it has an immediate negative effect on demand growth.
2) Steps taken or proposed to be taken for improvement:	A focussed restructuring program with thrust on improving efficiency of operations, cost control, restructuring of debt, aggressive Working Capital management and also a re-direction to the Company’s marketing efforts.
3) Expected increase in production and profits in measurable terms:	The Company hopes to achieve a turnover of
	Rs. 25,000/- Lakhs and Net Profit before Tax of Rs.2,750/- Lakhs in Financial Year 2019-20. The effect of expansion and restructuring will improve further the results of the Company in coming years.

IV. Disclosures:
1. The shareholders of the Company shall be informed of the remuneration package of the managerial personnel.
2. The following disclosures shall be mentioned in the Board of Directors Report under the heading “Corporate Governance”, if any, attached to the annual report:
i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
ii) Details of fixed components and performance linked incentives along with the performance critics;
iii) Service contracts, notice period, severance fees;
iv) Stock Option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

MUMBAI, 28th May, 2019

Registered Office:

33 Nariman Bhavan
227 Nariman Point
Mumbai- 400 021.

By Order of the Board
For **MODISON METALS LTD.,**

G. L. MODI
Managing Director

MODISON METALS LIMITED

Regd. Office: 33 Nariman Bhavan, 227 Nariman Point, Mumbai-400 021

Email Id: shareholder@modison.com **Website:** www.modison.com

Tel.: +91-22-2202 6437 **Fax:** +91- 22-2204 8009

CIN No: L51900MH1983PLC029783

ATTENDANCE SLIP

I/We, hereby record my/ our presence at the **36th ANNUAL GENERAL MEETING** of the Company scheduled on Tuesday, 6th August, 2019 at 11.30 A.M at Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai-400005.

Name and Address of the Shareholder(s):

Number of shares held:

Member's Folio No./DP ID
& Client ID

Member's/Proxy's name in Block Letters

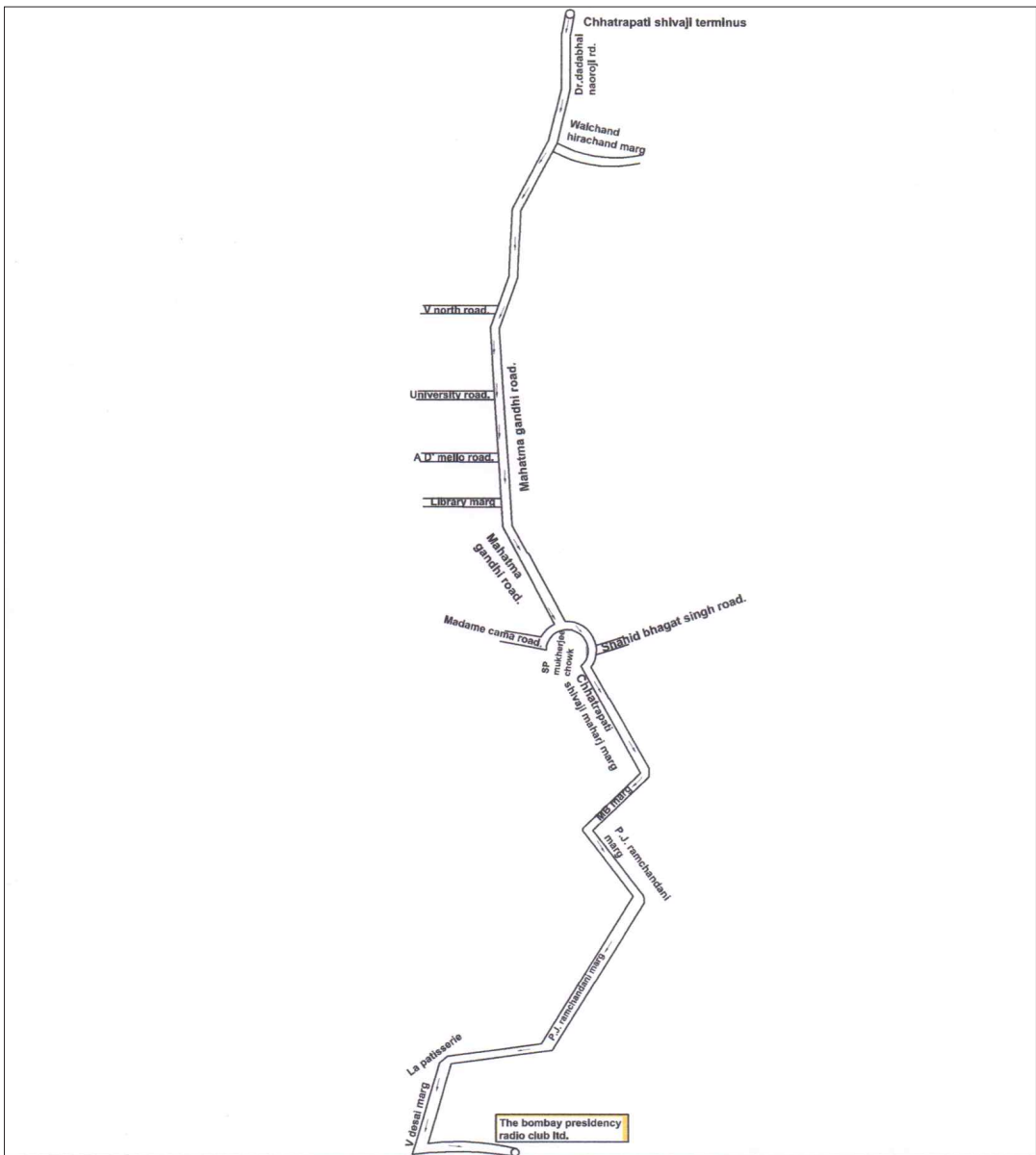
Member's/Proxy's Signature

E-VOTING DETAILS:

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD

Note: Please read the instructions given in the Notice of the Annual General Meeting carefully before voting electronically.

Route map of the venue of the AGM



MODISON METALS LIMITED

Registered Office: 33, Nariman Bhavan, 227 Nariman Point, Mumbai- 400 021. INDIA.

Phone: + 91- 22- 2202 6437 **Fax:** +91-22-2204 8009

Website: www.modison.com

CIN: L51900MH1983PLC029783

Email Id: shareholder@modison.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): _____

Registered address: _____

E-mail Id: _____

Folio No. / Client Id: _____

DP ID: _____

I/We, being the member (s) of _____ shares of above named Company, hereby appoint

1. Name : _____ Address : _____
E-mail Id: _____
Signature: _____, or failing him

2. Name : _____ Address : _____
E-mail Id: _____
Signature: _____, or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on 6th August, 2019 at 11.30 a.m. at Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai-400005 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Item No	Resolutions	No. of Shares	For	Against
			I/We assent to the resolution	I/We dissent to the resolution
1.	To adopt of Audited Balance Sheet as at 31 st March 2019, the Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.			
2.	To confirm the Interim Dividend of Re.1 per equity share, already paid during the year for the year ending March 31 st , 2019.			
3.	To declare final dividend on equity shares of Re.0.50 per equity share for the financial year ended March 31 st , 2019 as recommended by the Board of Directors of the Company.			
4.	To appoint a Director in place of Mr. Suresh Mody (DIN No: 00027432), who retires by rotation and being eligible, offers himself for re-appointment.			
5.	To appoint a Director in place of Mr. Rajkumar Modi (DIN No: 00027449), who retires by rotation and being eligible, offers himself for reappointment.			

Item No	Resolutions	No. of Shares	For	Against
			I/We assent to the resolution	I/We dissent to the resolution
6.	To appoint M/s. N. Ritesh & Associates, Cost Accountants as Cost Auditors.			
7.	To appoint Mr. Rajkumar Modi (DIN No: 00027449) as Joint Managing Director of the Company.			
8.	To fix remuneration of Mr. Rajkumar Modi (DIN No: 00027449), Joint Managing Director of the Company.			
9.	To reappoint and fix remuneration of Mr. Kumar Jay Modi (DIN No: 00059396) as a Whole-time Director of the Company.			
10.	To confirm appointment of Mr. R.A.Goenka (DIN No: 00140376) as an Independent Director of the Company.			
11.	To confirm appointment of Mrs. Rita Bhatia (DIN No: 06973893) as an Independent Director of the Company.			
12.	To approve professional fees of Mr. Suresh Mody, Director and consultant of the Company.			
13.	To approve continual service of Mr. Suresh Mody as Non Executive Director of the Company on attaining 75 years of age.			

Signed thisth day of 2019

Signature of share holder

Affix
revenue
stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

****This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box.** Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A Proxy need not be a member of the Company.
- In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by the officer or an attorney duly authorized by it and authenticated copy of such authorization should be attached to the proxy form.
- A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy for any other person or Member.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

THE SILVER PEOPLE

A large collection of various copper and copper alloy products, including rods, tubes, wire, and fittings, displayed against a white background. The items are arranged in a dense, overlapping manner, showcasing a wide range of shapes and sizes. The copper has a characteristic reddish-brown hue. The products include long rods, thick-walled tubes, thin-walled tubes, wire, and various fittings and connectors. Some items are polished, while others have a more matte finish. The background is a plain, light color, which makes the copper products stand out.

Global Contact Technology

OUR PRODUCT REACH

MODISON

THE SILVER PEOPLE



ANNUAL REPORT: 2018-19**BOARD OF DIRECTORS:****ASHOK JATIA**

Chairman

G.L. MODI

Managing Director

RAJKUMAR MODI

Jt. Managing Director

KUMAR JAY MODI

Whole-time Director

RAKESH S. SINGH

Whole-time Director - Resigned on 31.10.2018

Non-Executive & Non-Independent w.e.f. 01.11.2018

SURESH MODY**R.A. GOENKA****RITA BHATIA**

Women Director

MANISH SRIVASTAVA

Chief Executive Officer w.e.f. 20.05.2019

DEEPASHREE MAKARAND DADKAR

Company Secretary

AUDITORS:

KANU DOSHI ASSOCIATES LLP

CHARTERED ACCOUNTANTS

203, THE SUMMIT, LEVEL-2, WING-F

SAMARTH NAGAR, HANUMAN ROAD

W.E.HIGHWAY, VILE PARLE (E)

MUMBAI - 400 057

BANKERS:

HDFC BANK LIMITED

REGISTERED & HEAD OFFICE:

33 NARIMAN BHAVAN 227 NARIMAN POINT

MUMBAI – 400021 Tel: 022 2202 6437

Email Id: shareholder@modison.com

Web: www.modison.com

WORKS ADDRESS:

85A,B,D&E, E-ROAD

PHASE-I, GIDC, VAPI-396 195

DIST. VALSAD, GUJARAT

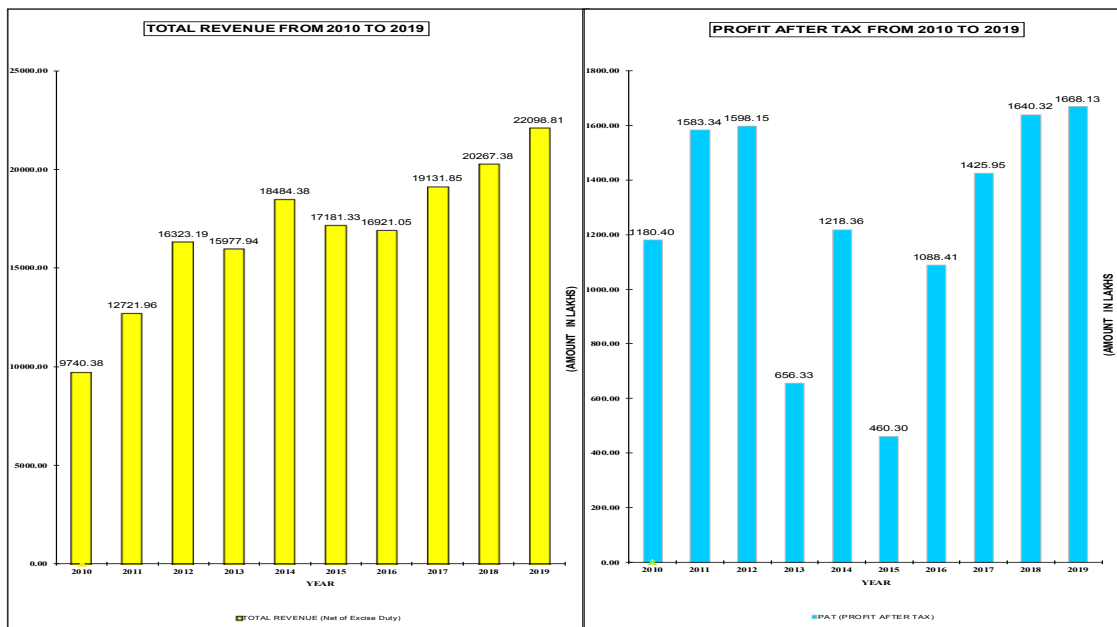
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FINANCIAL HIGHLIGHTS

(Rupees in Lakhs)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
TOTAL REVENUE (Net of Excise Duty)	9740.38	12721.96	16323.19	15977.94	18484.38	17181.33	16921.05	19131.85	20267.38	22098.81
EBITDA	2272.24	2944.68	3162.47	1948.43	2678.77	1674.63	2690.79	3117.08	3164.28	3302.25
DEPRECIATION & AMORTISATION	396.89	461.37	526.31	604.58	622.38	662.70	637.36	639.76	628.16	636.47
EBIT	1875.35	2483.31	2636.16	1343.85	2056.39	1011.93	2053.43	2477.32	2536.12	2665.78
TAXATION	592.40	794.05	768.66	371.82	627.59	204.24	630.26	781.98	710.34	777.26
PAT (PROFIT AFTER TAX)	1180.40	1583.34	1598.15	656.33	1218.36	460.30	1088.41	1425.95	1640.32	1668.13
EBITDA TO TOTAL REVENUE (%)	23.33	23.15	19.37	12.19	14.49	9.75	15.90	16.29	15.61	14.94
EBIT TO TOTAL REVENUE (%)	19.25	19.52	16.15	8.41	11.13	5.89	12.14	12.95	12.51	12.06
PAT TO TOTAL REVENUE (%)	12.12	12.45	9.79	4.11	6.59	2.68	6.43	7.45	8.09	7.55
NET BLOCK (+ CWIP)	4404.99	4663.80	5473.56	6208.67	6064.59	5900.50	6197.60	5875.91	5838.51	5715.02
PAID UP CAPITAL	324.50	324.50	324.50	324.50	324.50	324.50	324.50	324.50	324.50	324.50
RESERVES AND SURPLUS	5840.93	7039.15	8252.67	8522.31	9259.58	9411.13	10108.97	11122.18	12368.76	13437.30
NET WORTH	6096.42	7302.95	8526.78	8803.88	9547.80	9699.35	10397.20	11410.44	12657.26	13725.93
FEW KEY RATIOS										
EARNINGS PER SHARE (Rs.)	3.64	4.88	4.93	2.02	3.75	1.42	3.35	4.39	5.05	5.14
BOOK VALUE (Rs.)	18.79	22.51	26.28	27.13	29.53	29.89	32.04	35.17	39.01	42.30
DIVIDEND (%)	75.00	100.00	100.00	100.00	125.00	75.00	100.00	100.00	150.00	150.00



DIRECTORS' REPORT

To
**The Members of
Modison Metals Ltd**

The Directors have pleasure in presenting the Thirty Sixth Annual Report of the Company along with the Audited Financial Statements of Modison Metals Limited for the financial year ended 31st March, 2019.

FINANCIAL RESULTS

(Rupees in Lakhs)

	2018-19	2017-18
Revenue from operation & other income		
(Net of Excise Duty)	22,098.81	20,267.38
Gross Profit before Finance Cost & Depreciation/Amortisation	3,302.25	3,164.28
Less: Finance Cost	220.39	185.45
Less: Depreciation / Amortisation	636.47	628.16
Profit before Exceptional items	2,152.34	2,045.20
Exceptional items	293.05	305.46
Profit before taxation	2,445.39	2,350.66
Less: Provision for Taxation		
Current tax	794.70	846.10
Less: Taxation adjustment of previous year	9.46	3.01
Less: Deferred tax	(26.90)	(138.77)
Profit after taxation	1,668.13	1,640.32
Add: Balance brought forward from the previous year	11,055.34	9,805.34
Profit available for appropriation	12,723.47	11,445.66
Add: Transfer from Revaluation Reserve	0.13	0.24
Less: Interim Dividend/Final Dividend	486.75	324.50
Less: Corporate Dividend Tax on Interim Dividend/Final Dividend	100.05	66.06
Balance carried over to Balance Sheet	12,136.80	11,055.34

OPERATIONS

During the year under review, the Company has achieved the turnover of Rs.22,098.81 Lakhs as compared to Rs.20,267.38 Lakhs (net of excise duty) during previous year. The turnover is increased by 9.04% i.e. by Rs.1,831.43 Lakhs, Profit before tax increased by 4.03% i.e. by 94.73 Lakhs & Net Profit after tax increased by 1.70% i.e. by Rs.27.81 Lakhs.

EXPORTS

The Exports (FOB) including export in INR during the year amounts to Rs.4,435.25 Lakhs as against Rs.3,239.32 Lakhs achieved in the previous year. The export is increased by 36.92% i.e. by Rs.1,195.93 Lakhs.

Dividend

During the financial year ended 31st March, 2019, the Company paid an interim dividend of Re.1/- per equity share.

The Board in their meeting dated 28.05.2019 also recommended final dividend @0.50 (50%) per equity share of Re1/- each for the year ended 31st March 2019, subject to the approval of the shareholders of the Company in the ensuing Annual General Meeting.

TRANSFER TO RESERVES

The Company has not transferred any amount to Reserves for the Financial Year ended 31st March 2019.

SHARE CAPITAL

The paid up equity capital as on 31st March 2019 stood at Rs.324.50 Lakhs. During the year under review, the Company has not issued equity share with differential voting rights, sweat equity shares, employee's stock options & not made any provision for purchase of its own shares.

RESEARCH AND DEVELOPMENT

A state-of-the-art recognized R & D Division set up by the Company in Financial Year 2002-2003 got renewed in April, 2016 from Department of Science & Technology Industrial Research, New Delhi. The R & D Division is working for development of new product as well as improvement in existing products. The company continue to invest in R&D towards new product development and capability building.

JOINT VENTURE & EXPANSION

The Board of Directors of the Company at its Meeting held on 2nd April,2019 have approved to initiate the process of forming a Joint venture Company as a subsidiary Company of Modison Metals Limited to manufacture tungsten metal products.

For expansion, the Company has entered into a MOU for purchase of freehold land at Vapi admeasuring 10,036 square meters for Rs. 910.00 Lakhs.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public during the year.

LOANS, GUARANTEES AND INVESTMENTS

No loan, guarantee and investment were given during the year.

CHANGE IN NATURE OF BUSINESS

There being no change in the nature of business of the Company during the year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of the operations, performance, future outlook, Research and development, risk management and its business are given in the Management Discussion and Analysis Report and forms part of this report.

PARTICULARS OF CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 relating to conservation of energy & technology absorption, foreign exchange earnings and outgo is provided in Annexure I forming part of this Board Report.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return of the Company as prescribed in form MGT 9 is available on the Company's website. The web link is <http://www.modison.com/annual-reports.html>.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to Corporate Social Responsibility and strongly believes in given back to society.

The Corporate Social Responsibility Committee comprises of Mr. G.L. Modi, Mr. Suresh Mody and Mr. R.A. Goenka as the members. Mr. G.L. Modi is the Chairman of the Committee.

The details of the various projects and programs which can be undertaken by the Company as a part of its CSR policy framework is available on the company's website. The web-link is <http://www.modison.com/company-code-and-policies.html>.

The disclosures required to be given under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure II forming part of this Board Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Suresh Mody and Mr. Rajkumar Modi, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re- appointment.

Mr. Rajkumar Modi is appointed as Joint Managing Director of the Company, subject to the approval of members in the ensuing Annual General Meeting, for the period 01.04.2019 to 31.03.2022.

Mr. Kumar Jay Modi, is re-appointed as Whole time Director of the Company, subject to the approval of members in the ensuing Annual General Meeting, for the period 01.04.2019 to 31.03.2022.

During the financial year, Mr. Rakesh Singh was Chief Executive Officer and Whole time Director of the Company up to 31.10.2018 and continues to be a Non- Executive & Non- Independent Director of the Company w.e.f. 01.11.2018.

Mr. Ramavtar Goenka is reappointed as Independent Director of the Company, subject to the approval of members in the ensuing Annual General Meeting, for second term of five years.

Mrs. Rita Bhatia is reappointed as Independent Director of the Company, subject to the approval of members in the ensuing Annual General Meeting, for second term of five years.

Mr. Suresh Mody continues as a Non-Executive Director, subject to the approval of members in the ensuing Annual General Meeting after attaining age of 75 years.

The notice convening the Annual General Meeting includes the proposal for reappointment of Directors.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

Pursuant to the provisions of the Act and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of the performance of the Board, its Committees, Chairman and Individual Directors. The performance evaluation of the Independent Director was carried out by the entire Board except concerned Independent Directors. The Directors expressed their satisfaction with evaluation process.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS :

A familiarization program for independent directors as approved by the Board and details for the same is available on the Company's website. The web-link is <http://www.modison.com/other-announcements.html>.

BOARD MEETINGS :

The Board of Directors duly met 5 times during the financial year from 1st April, 2018 to 31st March, 2019. The dates on which the meetings were held are as follows :
23.05.2018, 09.08.2018, 29.10.2018, 31.01.2019 and 11.02.2019.

A separate report on Corporate Governance includes the detailed particulars of Board & Committee Meetings is annexed and forms part of this Report of the Directors.

INDEPENDENT DIRECTORS MEETING

The meeting of the Independent Directors in FY 2018-19 was held on 30th January, 2019.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION :

The Nomination & Remuneration Committee has formulated a Nomination and Remuneration Policy, approved by the Board is available on the Company's website and the web-link is <http://www.modison.com/company-code-and-policies.html>.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

AUDITORS**i) Statutory Auditors**

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Kanu Doshi Associates LLP, Chartered Accountants having firm registration No. 104746W /W100096, were appointed as statutory auditors of the Company for a term of three years to hold office from the conclusion of 34th Annual General Meeting upto conclusion of 37th Annual General Meeting.

The Auditor's report on Financial Statements of the Company for the year ended 31st March, 2019, issued by M/s Kanu Doshi Associates LLP, Chartered Accountants, having firm registration No. 104746W/W100096, contains emphasis of matter relating to inventory valuation which is self-explanatory and does not contain any qualification.

ii) Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 ('the Act') read with Rule 8 of the Companies (Accounts) Rules, 2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

M/s. N. Ritesh & Associates, Cost Accountants are appointed as Cost Auditors for auditing the cost records of your Company for the year ended 31st March, 2020 by the Board of Directors on recommendation of Audit Committee.

iii) Secretarial Auditor

M/s. Ragini Chokshi & Co, Practicing Company Secretaries, Mumbai were appointed to conduct Secretarial Audit for the year ended 31st March, 2019 in accordance with provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is enclosed and forms a part of this Directors Report. There are no qualifications or observations or remarks made by the Secretarial Auditor's in their Report.

MATERIAL CHANGES & COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of the report.

SUBSIDIARY

Modison Contacts Private Limited was a subsidiary Company of your Company upto 25.02.2019.

The material subsidiaries policy is available on Company's website and the web link is <http://www.modison.com/company-code-and-policies.html>.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report. The Auditor's Certificate on its compliance form part of this Report and is annexed hereto.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Act, on the basis of information placed before them, the Directors state that:

- i) in the preparation of the annual accounts, the applicable IndAs accounting standards has been followed along with proper explanation relating to material departures, if any;
- ii) appropriate accounting policies have been selected and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit and loss of the Company for the said period;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis;
- v) the internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

- vi) there is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in form AOC-2 is not required. Further, there are no material related party transactions during the year under review with the promoters, Directors or Key Managerial Personnel. All related party transactions are placed before the Audit Committee as also to the Board for approval. Omnibus approval was obtained for transactions which are of repetitive nature. The policy on Related Party Transactions as approved by the Board is available on the Company's website and the web-link is <http://www.modison.com/company-code-and-policies.html>.

RISK MANAGEMENT

The Company is exposed to the risk of price fluctuation of silver (raw material). The Company proactively manages this risk through hedging, inventory management. The Company's reputation for quality with robust marketing existence mitigates the impact of price risk on finished goods.

Also, the Company is exposed to Strategic Risk, Allocation of funds for CAPEX, Operational Risks, Regulatory and environmental non-compliances. The Company copes these risks by developing alternate plans, framing various policies, initiatives, guidelines, using automated systems.

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has adequate system of internal financial control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Whistle blower Policy for Directors and employees to deal with instance of fraud and mismanagement, if any, has been established. The Whistle blower Policy has been uploaded on the website of the Company and the web-link is <http://www.modison.com/company-code-and-policies.html>.

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has adopted a policy for prevention of sexual harassment at work place and has constituted an Complaint Redressal Committee. During the year, the Company has not received any complaints on sexual harassment under the said Act.

STOCK EXCHANGE

The Company's equity shares are listed at BSE Limited. The Company confirms that it has paid the Annual Listing Fees for the year 2018-19.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

GREEN INITIATIVE:

Electronic copy of Annual Report for the financial year ended 31st March, 2019 and notice of the ensuing AGM is being sent to all shareholders whose email addresses are registered with the Depository Participant. For shareholders who have not registered their email addresses, physical copies are sent through the permitted mode.

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for the assistance and support extended by all Customers, Vendors, Government Authorities, Financial Institutions, Banks, Consultants, Solicitors, Regulatory Authorities and Shareholders of the Company. The Directors express their appreciation for the dedicated and sincere services rendered by the employees of the Company at all levels.

For and on behalf of the Board of Directors

Mumbai, 28th May, 2019

G.L. MODI
Managing Director

SURESH MODY
Director

ANNEXURE I TO DIRECTORS' REPORT

Particulars Required Under Section 134 Of The Companies Act, 2013 Read With Rule 8 of Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

- a) Steps taken or impact on conservation of energy:

In line with the Company's commitment towards conservation of energy, all units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the Company in this direction is by installing :

- Solar energy, being a clean and green power help reducing state's carbon emission level. With basic intention to utilize and promote this renewable energy i.e. solar energy, we installed and commissioned 60 KWh roof top TATA solar plant
- Power factor to get rebate in electricity bill.

- b) Steps taken by the Company for utilizing alternate sources of energy:

During the year under review, the Company utilized solar energy for self-consumption and received rebate in electricity bill.

- c) Capital investment on energy conservation Equipment's : Rupees 13.72 Lakhs

B. TECHNOLOGY ABSORPTION

- a) Efforts made towards technology absorption The efforts made by the Company in

- Developing in-house high purity Silver oxide powder for applications in batteries, pharma, etc.

- b) Benefits derived like product improvement, cost reduction, product development or import substitution
Product Development -Developed silver tin oxide based electrical contacts a future replacement for silver cad oxide contacts.

- c) Information regarding technology imported during the last three years : Nil

- d) Research & Development:

Specific areas in which R&D carried out by the company:

- Silver composites for electrical contacts.
- Copper Beryllium alloys.
- Eutectic Brazing alloy for vacuum interrupters.
- To develop extra pure silver salts

Benefits derived as a result of above R & D :

- Foray into identified segment of MV business
- More cost competitive products made available
- Import substitution

e) Expenditure in R&D

Rupees in Lakhs

• Capital	2.90
• Recurring	<u>50.88</u>
• Total	53.78
• Total R&D Expenses as a percentage of total Turnover	0.24%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

a) Activities Relating To Exports:

- The Company is contributing towards imports substitution in Electrical & Switchgear Industries and making the country self-reliant in this regard.

b) Total Foreign Exchange Used and Earned (2018-2019)

Rupees in Lakhs

i) CIF Value of Imports :	2,382.33
ii) Expenditure in Foreign Currency :	51.79
iii) Foreign Exchange earned :	4,037.07

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
ACTIVITIES (Annexure II) FOR THE FINANCIAL YEAR 2018-2019.**

**Pursuant to Section 135 of Companies Act 2013 read with Rule 9 of
Companies (Accounts) Rules, 2014**

Modison strongly believes in giving back to the society and do its part in making a small change for the better. For several years, Modison has supported various social causes, extended medical aid to the needy and even contributed significantly to the hospitals. Scholarships have been given out to deserving candidates to help them progress and to see them through initial limitations of progress. The group has also committed to fight TB by donating towards the treatment and beds of 5 underprivileged people every year to Shree Kalyan Arogya Sadan Sikar, Rajasthan. Also, A Small Step is undertaken towards Honourable Prime Ministers 'Beti Bachao' Movement.

The upcoming plans of the Company is to get tie up with major medical institutes to formulate procedures to ease up the medical facilities and urgent medical treatment. The Company also help to run a maternity hospital and will also donate free beds for needy patients from time to time.

CSR Policy is stated herein below:

Web-link:

<http://www.modison.com/pdf/Modison-Metals-Ltd-CSR-Policy.pdf>

- | | | |
|---|---|---|
| 1 | The Composition of CSR Committee
Shri G L Modi – Chairman
Shri Suresh Mody – Member
Shri R. A. Goenka – Member | |
| 2 | Meeting of CSR Committee : | 30.01.2019 |
| 3 | Average Net Profit of the
Company for last 3 Financial Years | Average Net profit: Rupees 2,086.01 Lakhs |
| 4 | Prescribed CSR Expenditure
(2% of this amount as in 3 above) | The Company is required to spend
Rupees 41.72 Lakhs towards CSR. |
| 5 | Details of CSR spend during the Financial Year | |
| | a) Total Amount spent for the Year | Rupees 45.50 Lakhs |
| | b) Amount unspent (if any) | Nil |

c) Manner in which the amount spent during the financial year is as follows:

Rupees in Lakhs

Sr. No.	Projects/ Activities	Locations	Amount outlay (Budget) project or Programs wise	Amount spent on the project/ Programs	Cumulative spend upto the reporting period	Amount spent: Direct/through implementing agency*
1	MEDICAL	RAJASTHAN & MUMBAI	20.00	20.50	20.50	Direct & Implementing Agency
2	EDUCATION	RAJASTHAN	25.00	25.00	45.50	Implementing Agency

*Implementing Agency is Modison Charitable Trust and Rotary Foundation India.

Responsibility Statement of CSR Committee :

This is to certify that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company

G.L. Modi
Chairman CSR Committee

Suresh Mody
Director

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE PERIOD 01-04-2018 TO 31-03-2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MODISON METALS LIMITED
33 Nariman Bhavan,
227, Nariman Point
Mumbai 400021.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MODISON METALS LIMITED (CIN: L51900MH1983PLC029783) (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **MODISON METALS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering **1st April, 2018 to 31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **MODISON METALS LIMITED** ("the Company") for the audit period **1st April, 2018 to 31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (to the extent of applicable).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **(Not applicable during reporting period)**.
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **(Not applicable during reporting period)**.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **(Not applicable as the Company has not issued any debt securities during the period under review)**.
- f. The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with client.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **(Not applicable during reporting period)**.
- h. Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2009 – **(Not applicable during reporting period)**.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws;
4. Environment Protection Act, 1986 and other Environmental Laws;
5. Employees State Insurance Act, 1948;
6. Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rule, 2003;
7. Indian Contract Act, 1872;
8. Minimum Wages Act, 1948;
9. Negotiable Instruments Act, 1881;
10. The Trade Marks Act 1999;
11. The Legal metrology Act, 2009;
12. Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018.

Based on the Compliance Certificates obtained by the Company from the various functional heads and Factory Managers, we relied on the Compliances of the above mentioned statutes.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards i.e. SS-1 & SS-2 issued by The Institute of Company Secretaries of India.

2. The Listing Agreement entered into by the Company with Stock Exchanges as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except filing of few forms late with additional fees.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines like Income Tax Act, 1961, Finance Act 1994 viz-a-viz Professional Tax, Goods and Service Tax etc.

We further report that during the reporting period;

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- The changes in the composition of the Board of Directors that took place during the period under review were carried out and is in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the reporting period, following changes were took place in the management of the Company.

1. The designation of Mr. Rakesh Shyamvir Singh has changed from Executive director to Non-executive director with effect from 1st November, 2018.

For Ragini Chokshi & Co.

Place : Mumbai
Date : 28th May, 2019

Makarand Patwardhan
(Partner)
C.P. No :- 9031
ACS No :- 11872

MANAGEMENT ANALYSIS & DISCUSSION REPORT

Industry structure & Outlook

The Indian economy is likely to grow at 7.2% in the F.Y. 2018-19. The Central Statistics Office (CSO) estimates Indian economy is likely to accelerate to a three year high of 7.2% in F.Y. 2018-19.

According to “India Switchgear (LV, MV, HV) market overview, 2018-2023” report by Research and Market.com, the Indian switchgear market is expected to grow with a CAGR of more than 7% in the forecasted period of next 5 years from F.Y 2017-18 to F.Y 2022-23.

As the overall economic growth picks up and the demand for electricity increases, the switchgear industry is expected to gain further momentum.

Government significant interest & huge infusion of funds in infrastructure projects is likely to propel growth and having achieved 100% electrification of the villages the distribution part of the chain will be in focus and that is likely to augur well for the Company.

Vision

The Company’s vision is to retain and enhance its leadership position and in the process tread the growth path so as to serve all the stakeholders. The Company has prepared a blue print to expand its horizon in the range completion and intent to manufacture every product which can be manufactured under the umbrella of LV, MV and HV electrical contacts manufacturing industry to serve its customer. The Company has formulated robust strategic plan to achieve the same. In addition to this the Company intends to broaden its horizon and enter into few new products which are complementing the Company’s ecosystem and cater to non-switchgear market thus enabling the growth potential.

Business Strategy

The Company deploys robust business strategy which mainly deals with de-risking of the business, expansion of geographies through customer intimacy movement & diversifying the portfolio. To further expand & align the capacity to meet market demand, we will implement Lean across all the lines with 6-Sigma quality approach as part of our Operational Excellence program.

Company intends to achieve profitable growth through operational excellence, Procurement optimisation, Customer intimacy & and Quality First approach.

To achieve the above mentioned objectives a robust HR policy mainly driven by PMS (performance management system) is in place and is driven by top management. This facilitates the Company to retain and nurture talent. Integrity, Health & Safety will be core to our all actions and be part of our business strategy.

Operational, Product wise & Financial Performance

FY19 was a good year for the Company, where we could continue the incremental journey for our existing business.

The volume growth script continued its 6th Successive year which created an enviable track record of ability to garner business in not so many vibrant positive Macro & Micro indicators for manufacturing. Our ability to grow

in volume continuously in double digit at higher base is indication of maturity we have acquired for this segment from last years report.

The Company has developed in house high purity silver oxide powder for application in batteries, pharma, etc. The Company has establish in H Grade high performance tungsten parts besides improving the capacity & capability in HV space. The Company turnover in HV has increased substantially.

The year was mixed bag for new businesses like silver salts, bullion & Cutlery .Though Silver salts witnessed disruption in the form of pricing which pulled the business back to an extent .However successful audit by few top notch players for qualification has gone well which is positive from last year's report.

The Company has started sale of bullion through post offices in Gujarat and the initial response is good.

Credit Analysis & Research (CARE) LTD.) has affirmed credit rating for all the debt instruments - long term bank facilities and for short term bank facilities to Care A (Single A).

All financial ratios of the Company were robust with significant improvement in current ratios.

The Company is manufacturing Electrical Contacts for Low, Medium & High Voltage Switchgear. During the year under review, the Company has achieved the turnover Rs.22,098.81 Lakhs clocking 9.04% growth. The PAT is 1,668.13 Lakhs which is more by 1.70%.

The Company entered into a Joint venture to manufacture tungsten metal products in order to serve defence industry in United States of America.

The Company has purchased land for expansion of business at Vapi (Gujarat).

Opportunity

It has been Company's endeavour to continuously invest in capacity and in capability .Since most of Company's HV competitors are from Europe it is imperative that Company remain in sync with the global manufacturing norms and the same has been achieved with fair degree of certainty and success.

Company established full-fledged state of the art silver salts manufacturing facility enabling the Company to diversify its product portfolio. This project will elevate the operational profile, help in diversify and improve the growth prospect of the Company.

The expansion and upgradation of refinery is well and truly established and is on its way to pay rich haul with respect to Company's overall growth trajectory and strategy.

The Company's current capacity is in line with the future expansion plan and at the same time is north bound with respect to capability which enables it to remain in sync with international competition.

Internal Control system & their adequacy

Given the nature of business and size of operations, the Company's internal control system has been designed to:

- Adherence to applicable accounting standards and policies.
- To ensure efficiency of operations and compliance with applicable legislation.
- To ensure adequate management reporting system comprising of managerial reporting and analysis on various performance indicators, for corrective directions as and when necessary.

The Company has in place the internal auditor and Company's secretary to ensure the compliance and adequacy of the process and systems.

R&D

Research & Design continue to be the epicentre of all development & diversifying product range efforts of the organisation. The Company continue to spend in R&D in sync with its need and in line with industry practices.

The efforts made by the Company in developing in-house high purity Silver oxide powder for applications in batteries, pharma, etc.

The efforts are also made by the Company in following:

- Silver composites for electrical contacts.
- Copper Beryllium alloys.
- Eutectic Brazing alloy for vacuum interrupters.
- To develop extra pure silver salts

To reap following benefits:

- Foray into identified segment of LV/MV/HV business.
- New cost competitive products made available.
- Import substitution.

During the year your company has received R&D lab NABL certificate.

Threats & Risk Management

Since the Company deals in precious metal the credit policy is something which assumes greater significance to strike the balance between revenue versus risk of bad debts. This becomes critical when the Company exports to various countries.

The Company has adequate system in place to deal with this in the form of internal credit policy and selection of customers with exhaustive mapping and scanning.

There is special market like electricity board projects which are driven only by price and in such orders low end imported switchgears eat into market.

The Company has implemented various cost optimisation initiatives, better working capital management and operational excellence to become more competitive that will be leveraged along with our proven performance in quality and responsiveness. This shall help us to selectively address such market.

In certain part of the world prohibition of few products due to traces of particular material is in place and the same can be major exports opportunity in some other parts of the world. The Company has developed the alternate products to address these types of markets and is treading the path to establish the same.

Development in Human Resources

The Company continue to stress the importance of talent acquisition and is also aware the challenges faced in this area more significantly for mid-size companies.

The Company has given more focus on attracting, retaining and nurturing talent by creating a vibrant working atmosphere and cohesive workforce.

Company has formulated basic competency framework that shall help for better and consistent hiring helping the organisation at all levels. The Company has identified few hot skilled employees identified as “core” and the career mapping of this core is being put in place. This will facilitate the trust and transparency and same shall be cornerstone in nurturing the talent pool critical in achieving the short term and long term goal of the organisation.

Suggestion scheme which has been implemented has met with the limited success .The Company is emphasising more on the successful roll out of the same. The middle management has been roped in with clear cut plan and the same is expected to engage & involve more and more people. The Company continue to believe that more engagement of our prime mover –people in suggestion scheme can be road to success in various functions.

“Spot Recognition” policy which enables the employees to be rewarded immediately for the good work/improvement done in the concerned areas. This has yielded good results and helped in the area of productivity, responsibility and ownership. The scheme foster a very conducive atmosphere for working and at the same time instil a very healthy competition among all employees which benefits the organisation overall.

HR has implemented Key performance indicators for all functions leading to target driven culture which also helps to identify gaps and improve upon it .This has brought transparency and homogeneity in overall operations

One of the most high impact and high importance initiative PMS (performance management system) has matured to a great extent. This has given clarity to the individual and also helps him to align his individual goal with organisational objectives. The review mechanism along with feedback system has brought transparency & trust.

This is being achieved through Balance score card (BSC) provides clear prescription as to what companies should measure in order to “balance” the financial perspective.

It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results.

BSC has four different perspectives:

- The Financial Perspective.
- The Customer Perspective.
- The Business Process Perspective.
- The Learning & Growth Perspective

Company is confident of achieving major transformation by this initiative and expects it to be a catalyst in achieving the desired results.

We value employee engagement and encourage the culture of continuous improvement through Kaizen and participative excellence

Business development & growth

Our company has clear attention towards Innovation apart from Penetration & Expansion to have long term sustainable growth.

A clear path to foray into growth areas in T&D sector like GIS, Digitalisation etc.

Company has four pronged strategy for business development & growth viz new product development, new geographies, new customers & increased share of wallet of existing customers by treading customer intimacy.

Continuing the same strategy our appointment of agency in Brazil has started yielding results .The country saw robust growth in this year which to an extent negated the effect of subdued business in Russia & Turkey. The Company expects the business to grow in South America.

In North America also the Company could build upon the momentum and registered a very healthy growth rate. This is testimony of acceptance of our product in North America which shall form the basis of sustained business growth.

The silver salt business went through small disruptions commercially which was need to maintain the overall market strategy, positioning & penetration. Post recalibration of commercial terms the Company's has started the efforts of repositioning itself and is sure about the sustained business growth in near to mid-term.

In HV business the Company could add more units for supplies with our existing customers which augur well from growth perspective .With look India approach by many multinationals it is expected that more business will get transferred to India which should be beneficial for the Company.

The new products viz bullion business & cutlery are still at nascent stage and Company has rolled out a plan for flatware business and the same will be treaded with for the current year. The bullion business has witnessed 2 key channel partners on board .This should provide the required impetus to the same.

Corporate Social responsibility

The Company's philosophy of contributing to society in its humble way is mainly in the area of health, education & sanitation as India needs to do lot of work in these areas to move forward.

The Company runs a charitable trust named Modison charitable trust which in turn runs maternity hospital.

The Company ventured into providing basic amenities in the village school by ensuring the basic needs of providing class rooms and necessary furniture for the same so that village students can get the basic comfort which will facilitate improved learnings.

The Company also contributed significantly in treatment of children suffering from cancer at state of the art hospitals.

Charity was made to dental associations and in the mid-day meals for the school children.

The Company will continue to make humble contribution in the area of health, education & sanitation as it believes that these three areas are the one needing maximum attention towards inclusive society.

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

We, at Modison Metals Limited (MML), believe that for a company to succeed it must maintain global standards of corporate conduct towards its employees, customers and society. The company believes that it is rewarding to be better managed and governed and to identify and align its activities with national interest. To that end, we, as a company, have always focused on good corporate governance – which is a key driver of sustainable corporate growth and long term value creation.

At Modison Metals Limited, we view Corporate governance in its widest sense, almost like a trusteeship. Corporate governance is not simply a matter of creating checks and balances; it is about creating an outperforming organization. The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness; and to develop capabilities and identify opportunities that best serve the goal of value creation. Good Governance is an integral part of MML Management, in its pursuit of excellence, growth and value creation with a clear focus on its employees, customers, shareholders and the community at large – its stakeholders, beyond the metric of stock market and market capitalization.

Corporate Governance is not merely compliance – it is an on-going measure of superior delivery of Company's objects with a view to translate opportunities into reality. It involves leveraging its resources and aligning its activities to customer need, shareholder benefit and employee growth, thereby delighting all its stakeholders while minimizing risks.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time, under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been implemented in a manner so as to achieve the objectives of Corporate Governance.

2. RIGHTS OF THE SHAREHOLDERS

The Company believes in protecting the rights of the shareholders. It ensures adequate and timely disclosure of all information to the shareholders in compliance with the applicable laws. Shareholders are furnished with sufficient and timely information concerning the general meetings, issues to be discussed thereat and rules regarding holding and conducting the general meetings. All shareholders are treated equitably.

3. ROLE OF THE STAKEHOLDERS

The Company recognises the rights of the stakeholders who are provided opportunity to obtain effective redressal for violation of their rights. Keeping the same in view, the Company has laid down an effective whistle blower policy enabling stakeholders, including employees to freely communicate their concerns about illegal or unethical practices.

4. BOARD OF DIRECTORS

a) Composition and Category of Directors

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who represents the optimum mix of professionalism, knowledge and experience.

The composition of Board, as on 31st March, 2019, is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2019, the Board comprised of the eight Directors - Three Executive Directors and five Non-Executive Directors, of whom three are Independent Directors. The current strength of the Board includes one Women Director as required under applicable legislation. The Chairman of the Board is a Non-Executive Independent Director.

The following is the composition of the Board of Directors as on 31st March, 2019. The Directors strive to attend all the Board/Committee meetings. Their attendance at the meetings during the year and at the last Annual General Meeting is as under:

Name of Director	Category	Relation ship with Other Directors	Meetings held during the year	Attendance at Board Meetings	Attendance at last AGM	Director-ships* including MML)	Committee Position (Including MML)	
							Chairman	Member
Mr.Ashok Jatia - Chairman	Non-Executive & Independent	None	5	3	Yes	1	1	1
Mr. G. L. Modi - Managing Director	Executive	Father of Mr. Kumar Jay Modi	5	5	Yes	1	-	1
Mr. Rajkumar Modi - Joint Managing Director	Executive	None	5	5	Yes	1	-	2
Mr. Kumar Jay. Modi- Wholetime Director	Executive	Son of Mr. G.L.Modi	5	5	Yes	1	-	
Mr. Rakesh Singh- Director	Non-Executive	None	5	4	Yes	1	-	
Mr. Suresh Mody Director	Non-Executive	None	5	5	Yes	1	-	
Mr. R.A. Goenka Director	Non-Executive & Independent	None	5	5	Yes	1	-	1
Mrs. Rita Bhatia- Women Director	Non-Executive & Independent	None	5	3	Yes	1	1	

Notes:

- During the financial year, Mr. Rakesh Singh was Chief Executive Officer and Whole time Director of the Company up to 31.10.2018 and continues to be a Non Executive Non Independent Director of the Company w.e.f 01.11.2018.
- Number of Directorships/memberships and Committee position held in other companies excludes directorship/member in Private Limited Companies, Foreign Companies and Companies under section 8 of the Companies Act, 2013.
- The details of Committee Chairmanships / Memberships are disclosed as per Regulation 26 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and includes Audit Committee and Stakeholders Relationship Committee.

b) Appointment / Reappointment of Directors

Mr. Suresh Mody and Mr. Rajkumar Modi retire by rotation at the ensuing Annual General meeting and being eligible, offer them-self for re-appointment. Approval of the shareholders is sought at the ensuing Annual General Meeting for their re-appointment as Directors of the Company.

The list containing the details of the Directors seeking re-appointment at the 36th Annual General Meeting is given below:

Name of the Director	Mr. Suresh Mody	Mr. Rajkumar Modi
Date of birth	23.10.1944	08.03.1965
Date of Appointment	01.01.1997	09.06.1998
Qualification	B.Com, LLB	B.Com., MBA
Expertise in specific functional area	52 years experience in Finance and Taxation.	He has sharp business acumen, stronghold in export market and excellent administrative skills.
List of other public limited companies (in India) in which outside directorship held	None	None
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None
Relationship with other Director	None	None

Name of the Director	Mr. Kumar Jay Modi	Mr. R.A.Goenka
Date of birth	05.12.1978	15.07.1942
Date of Appointment	01.04.2012	28.04.2008
Qualification	B.Com	B.A
Expertise in specific functional area	International Sales & Marketing	Business Management & Marketing- Overseas
List of other public limited companies (in India) in which outside directorship held	None	None
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None
Relationship with other Director	Son of Mr. G.L. Modi	None

Name of the Director	Mrs. Rita Bhatia
Date of birth	20-11-1949
Date of Appointment	01-04-2014
Qualification	LLB
Expertise in specific functional area	Legal
List of other public limited companies (in India) in which outside directorship held	None
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which she is a Director	None
Relationship with other Director	None

c) **List of core skills/expertise/competencies required in context of business and sector**

As identified by Board of Directors, following are the core skills/expertise/competencies required in context of business and sector:

- 1) Technology
- 2) Automation
- 3) Higher productivity
- 4) Product competency
- 5) Product quality
- 6) Engineering
- 7) Project Executive
- 8) Engineering creative solutions
- 9) Legal
- 10) Corporate governance

d) Independent Directors

The Independent Directors of the Company fully meet the requirements laid down under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The **tenure** of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in this regard, as amended from time to time.

All the Independent Directors has furnished a declaration that he / she meets the criteria of independence as laid down in Section 152 of the Companies Act, 2013. The Company has provided the appointment letter to Independent Directors alongwith code for independent directors which are also available on the Company's website.

e) Separate meetings of the Independent Directors

As required under Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a meeting of the Independent Directors were held on 30th January, 2019, without the attendance of Executive Directors and members of Management. At the Meeting, they:

- (i) reviewed the performance of non-independent directors and the Board of Directors as a whole;
- (ii) review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
- (iii) assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

f) Familiarisation Programme for Independent Directors

All the Directors are aware and are also updated as and when required, of their role, responsibilities and liabilities. The Company conduct programmes/ presentations periodically to familiarise the Independent Directors with the strategy, operations and functions of the Company through its Executive Directors or Senior Management Personnel.

The details of such familiarisation programmes have been disclosed on the Company's website at <http://www.modison.com/other-announcements.html>

g) The skill sets/ expertise/ competencies list of Directors are as follows:

Sr. No	Name of Director	Category	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies
1	Mr. G. L. Modi	Managing Director	1) Technical knowledge 2) Engineering 3) Engineering creative solutions 4) Business Strategy 5) Risk management 6) Product quality
2	Mr. Suresh Mody	Non Executive Director	1) Taxation 2) Finance 3) Legal 4) Corporate Governance
3	Mr. Rajkumar Modi	Joint Managing Director	1) Sales & Marketing 2) Business Strategy 3) Business management 4) Project execution 5) Automation 6) Product competency
4	Mr. Kumar Jay Modi	Wholetime Director	1) Sales & Marketing 2) Higher productivity 3) Business management 4) Project execution 5) Product competency-bullion
5	Mr. Rakesh Singh	Non Executive Director	1) Sales & Marketing 2) Business Strategy 3) Business management
6	Mr. R.A.Goenka	Non Executive & Independent Director	1) Business Management 2) Technical Knowledge 3) Marketing-overseas
7	Mr. Ashok Jatia	Non Executive & Independent Director	1) Accountancy 2) Finance 3) Taxation 4) Investment
8	Mrs. Rita Bhatia	Non Executive & Independent Director	1) Legal

5. BOARD MEETINGS AND GENERAL MEETINGS

a) BOARD MEETINGS

The Board meets at least four times in a year with a maximum time gap of one hundred and twenty days between two Board Meetings as per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The meetings of the Board of Directors/Committee are held in Mumbai. The Board meets at least once in a quarter interalia to review the quarterly performance and financial results. A total of five Board Meetings were held during the year 2018-2019 on the following dates: 23.05.2018, 09.08.2018, 29.10.2018, 31.01.2019 and 11.02.2019.

The Board is apprised and informed of all the important matters relating to the business of the Company including those information as prescribed in Schedule II (Part A &B) of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director finalises the items to be included in the agenda of the meeting and the same is sent to the members of the Board well in advance along with the relevant details and explanatory notes wherever required.

b) GENERAL MEETINGS

Annual General Meetings held during last three years:

Financial year	Date	Time	Venue
2015-2016	09.08.2016	11.30 A.M.	Radio Room, The Bombay Presidency Radio Club Ltd., Arthur Bunder Road, Colaba, Mumbai-400005.
2016-2017	25.07.2017	11.30 A.M.	
2017-2018	07.08.2018	11.30 A.M.	

The following Special Resolutions were passed at the AGM held on **09.08.2016**

- Appointment and Remuneration of Mr. Rakesh Singh as Whole time Director of the Company.
- Re-appointment and Remuneration of Mr. Rajkumar Modi as Whole time Director of the Company.
- Appointment of Mr. Ashok Jatia as Independent Director of the Company.

Postal Ballots

The following resolutions were passed through postal ballot

- To approve amendment of title and Clause III of Memorandum of Association
- To approve amendment of Clause IV of Memorandum of Association.
- To approve amendment of Articles of Association.
- To increase Authorised Share Capital.
- To approve amendment of Clause V of Memorandum of Association.
- To approve amendment of Article 3 of Articles of Association.

The following Special Resolutions were passed at the AGM held on **25.07.2017**

- i) To appoint Mr. B.B.Singh as a consultant.

The following Special Resolutions were passed at the AGM held on **07.08.2018**

- i) To re-appoint and fix remuneration of Mr. G.L.Modi, Managing Director.
- ii) To reappoint and fix remuneration of Mr. Kumar Jay Modi (DIN No: 00059396) as a Whole-time Director.
- iii) To appoint Mr. Sureshchandra Mody as a consultant.
- iv) To approve amendment in agreement and approve the remuneration of Mr. Rakesh Singh, Whole Time Director of the Company.

c. EXTRA ORDINARY GENERAL MEETING

No Extra Ordinary General Meeting of the Shareholders was held during the financial year ended 31st March, 2019.

6. BOARD COMMITTEES

As mandated by Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has become applicable to the Company with effect from 1st December, 2015, none of the Directors on the Board is a Member of more than ten (10) Committees and none is a Chairman of more than five (5) Committees across all Listed Entities in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies.

To align with the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year ended 31st March, 2019, the Board of Directors amended the terms of references, wherever required.

The Board has constituted the following committees :

- I. Audit Committee.
- II. Nomination and Remuneration Committee.
- III. Stakeholders Relationship Committee.
- IV. Corporate Social Responsibility Committee.
- V. Risk Management Committee.
- VI. Share Transfer Committee.
- VII. Finance Committee.

The composition of the Committees, the number of meetings held during the year ended 31st March, 2019 and attendance therein alongwith the terms of reference are provided below:

I. Audit Committee**a) Composition**

The Audit Committee meets the criteria laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure) Regulations, 2015. As on 31st March, 2019, Audit Committee comprises of three Independent Directors including the Chairman of the Audit Committee and one Executive Director.

Sr. No	Name of Director	Category	Position
1	Mrs. Rita Bhatia	Non Executive and Independent Director	Chairperson
2	Mr. R A Goenka	Non Executive and Independent Director	Member
3	Mr. Ashok Jatia	Non Executive and Independent Director	Member
4	Mr. Rajkumar Modi	Executive Director	Member

b) Meetings and details of attendance

Four Audit Committee Meetings were held during the year ended 31st March, 2019 on 23.05.2018, 09.08.2018, 29.10.2018 and 31.01.2019. Details of attendance of each Director at the Audit Committee Meetings are given below:-

Sr. No	Name	No. of meetings held during the year	No. of meetings attended during the year
1	Mrs. Rita Bhatia	4	3
2	Mr. R. A Goenka	4	4
3	Mr. Rajkumar Modi	4	4
4	Mr. Ashok Jatia	4	3

Ms. Deepashree Dadkar acts as Secretary of the Audit Committee. The members of the Audit Committee are financially literate and three members have accounting and related financial management expertise. The Statutory Auditor, Chief Financial Officer and Internal auditor are invitees to the meetings. The Chairman of the Audit Committee was present at the 35th Annual General Meeting of the Company held in 2018 for addressing shareholders queries.

c) Terms of reference

- i) Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the Financial Statement is correct, sufficient and credible;
- ii) Recommending the appointment, reappointment and terms of appointment of auditors of the Company;
- iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

- iv) Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval with particular reference to:
 - a) Matters required to be included in Director's responsibility statement to be included in the Board's Report on terms of clause(c) of sub section (3) of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statement arising out of audit findings;
 - e) Compliance with Listing and other legal requirements relating to financial statements.
 - f) Disclosures of related party transactions.
 - g) Modified opinion(s) in the draft Audit Report.
- v) Reviewing with the management, the quarterly financial statement before submission to the Board for approval.
- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the Company with related parties;
- ix) Scrutiny of inter-corporate loans and investments.
- x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems.
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- xiv) Discussion with internal auditors of any significant findings and follow up there on;
- xv) Reviewing the findings of any internal investigations into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi) Discussion with the Statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii) To look into the reasons for the substantial defaults in the payment to the depositors, debenture holders, shareholder (in case of non-payment of declared dividends) and creditors.
- xviii) To review the functioning of Whistle Blower Mechanism
- xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
- xx) Carrying out any other function as mentioned in the terms of reference of Audit Committee.

II. NOMINATION AND REMUNERATION COMMITTEE

a) Composition

The Nomination and Remuneration Committee meets the criteria laid down under Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure) Regulations, 2015. As on 31st March, 2019, Nomination and Remuneration Committee comprises of three Independent Directors including the Chairman of the Nomination and Remuneration Committee.

Sr. No	Name of Director	Category	Position
1	Mr. R A Goenka	Non Executive and Independent Director	Chairman
2	Mrs. Rita Bhatia	Non Executive and Independent Director	Member
3	Mr. Ashok Jatia	Non Executive and Independent Director	Member

b) Meetings and details of attendance

Two Nomination and Remuneration Committee Meetings were held during the year ended 31st March, 2019 on 23.05.2018 and 31.01.2019. Details of attendance of each Director at the Nomination and Remuneration Committee Meetings are given below:-

Sr. No	Name	No. of meetings held during the year	No. of meetings attended during the year
1	Mr. R. A Goenka	2	2
2	Mrs. Rita Bhatia	2	1
3	Mr. Ashok Jatia	2	2

The Chairman was present in the Last Annual General Meeting to answer shareholder's queries.

c) Terms of Reference

The Company's Nomination and Remuneration Committee is vested with all the necessary powers and authority to :

- Ensure appropriate disclosure on the remuneration of director and to deal with all the elements of remuneration package of Directors and Management Personnel.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees
- Formulate the criteria for evaluation of Independent Directors and the Board of Directors
- Devise a policy on diversity of Board of Directors
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

d) Performance Evaluation of Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Non Executive Directors. During the year under review, a structured questionnaire was circulated to all Directors for evaluation of performance of the Board, its Committees, Chairman and Individual Directors. The parameters of performance evaluation of the Non Executive Directors will capture the following points:

- Attendance at meetings of the Board and Committee thereof.
- Participation in Board meetings or Committee thereof.
- Contribution to strategic decision making.
- Review of risk assessment and risk mitigation
- Review of financial statements, business performance and
- Contribution to the enhancement of brand image of the Company.

The Board of Directors (excluding the Director being evaluated) had, in their Meeting held on 31st January, 2019 evaluated the performance of all the Directors on the Board.

e) Remuneration Policy

The remuneration policy is based on three tenets: Pay for responsibility, Pay for Performance and potential and Pay for growth.

f) Remuneration paid to all the Directors

Remuneration of Directors, Sitting Fees, Salary, Perquisites:

Executive Director: Managing Director / Wholetime Directors.

The Remuneration of Managing Director has been approved by the Central Government for the period 01.04.2018 to 08.07.2018 and remuneration to the Managing Director for the period 09.07.2018 to 31.03.2019 and remuneration to the Wholetime Director is being paid in accordance with and subject to the limits laid down in Schedule V to the Companies Act, 2013.

The remuneration to the Managing Director / Wholetime Director is approved by the Nomination and Remuneration Committee, Board of Directors and subsequently ratified by the Shareholders in the meeting, wherever applicable.

The Remuneration (including perquisites and benefits) paid to the Managing Director/ Wholetime Director during the year ended 31st March 2019 is as follows:-

(Rupees in Lakhs)

Sr. No	Name of director	Sitting Fees	Salary(*)	Perquisites	Gratuity Provision	Contribution to Provident Fund	Total Amount
1	G. L. Modi, Managing Director	-	157.70	4.16	4.50	0.22	166.58
2	Rajkumar Modi, Joint Managing Director	-	73.35	1.66	2.34	0.22	77.57
3	Kumar Jay Modi, Whole Time Director	-	46.15	1.37	2.05	0.22	49.79
4	Rakesh Singh, Whole Time Director (up to 31.10.2018)	-	54.60	0.36	0.00	0.13	55.09

(*) Salary includes leave salary also.

g) Service Contracts, Severance Fees and Notice Period

The reappointment of the Managing Director Mr. G L Modi is for a period of 3 years from 09.07.2018 to 08.07.2021.

The reappointment of Mr. Kumar Jay Modi, Wholetime Director is for a period of 3 years from 01.04.2018 to 31.03.2021.

The appointment of Mr. Rajkumar Modi, Joint Managing Director is for a period of 3 years, from 01.06.2016 to 31.05.2019.

There is no provision for separate payment of severance fee under the resolution appointing the Managing Director and Wholetime Directors.

h) Performance linked incentive criteria

No such performance linked incentive are given to the appointees.

i) Employee Stock Option Scheme

The Company does not have any stock option scheme.

j) Payment to Non-Executive Directors

Non-Executive directors are paid in the form of sitting fees for attending the Board and Committee Meetings as fixed by the Board of Directors from time to time subject to the limits prescribed under the Companies Act, 2013.

Under the Companies Act, 2013, Section 197 allows a Company to pay remuneration to its Non-Executive Directors for services rendered by any such Director if:

- a) The services rendered are of Professional nature;
- b) In the opinion of Nomination and Remuneration Committee, the Director possesses the requisite qualification for the practice of the profession.

As per the provision of Section 188 of the Companies Act, 2013, Board of Directors of the Company shall approve the Professional fees to be paid to Non-Executive Director and with the approval of the Shareholders where ever required.

The Non-Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings except as mentioned below.

Mr. Suresh Mody is also paid Professional Fees of Rs.15 Lakhs for the F.Y.2018-19 for rendering Professional Services.

Mr. Rita Bhatia is also paid Professional Fees of Rs.0.47 Lakhs for the F.Y.2018-19 for rendering Professional Services.

The details of Sitting Fees paid to Non-Executive Directors for attending Board and Committee Meetings during the year 2018-2019 are given below:

(Rupees in Lakhs)

Sr. No.	Name Of Director	Directors Sitting Fees (*)
1	Mr. Suresh Mody	0.75
2	Mr. Ramavtar Goenka	1.65
3	Mrs. Rita Bhatia	1.05
4	Mr. Ashok Jatia	1.20
5	Mr. Rakesh Singh	0.15

* Includes fees for Audit Committee & Nomination and Remuneration Committee Meetings

i) The shareholding of Non-Executive Directors are as under:-

Sr. No	Name of Directors	No of shares held
1	Mr. Suresh Mody	237240
2	Mr. Ramavtar Goenka	0
3	Mr. Rakesh Singh	12000
4	Mrs. Rita Bhatia	0
5	Mr. Ashok Jatia	0

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors had constituted the Stakeholders Relationship Committee. The Committee focuses primarily on monitoring and ensuring that all shareholder and investor services operate in an efficient manner and that shareholder and investor grievances / complaints including that of all other stakeholders are addressed promptly with the result that all issues are resolved rapidly and efficiently.

Mr. Ashok Jatia, Non-Executive and Independent Director is the Chairman of the Shareholders' Relationship committee.

The Composition of the Stakeholders Relationship Committee is detailed below:

Sr. No	Name of the Director	Category	Position
1	Mr Ashok Jatia	Non- Executive and Independent	Chairman
2	Mr. G L Modi	Executive	Member
3	Mr. Rajkumar Modi	Executive	Member

Ms. Deepashree Dadkar, Company Secretary, is acting as the Compliance Officer of the Committee. The Committee also noted that there were no investors/shareholders complaint received during the year ended on 31st March 2019.

Stakeholders Relationship Committee meetings and attendance

One Stakeholders Relationship Committee Meeting was held during the year ended 31st March, 2019 on 30.01.2019. Details of attendance of each Director at the Stakeholders Relationship Committee Meeting is given below:-

Sr. No	Name	No. of meetings held during the year	No. of meetings attended during the year
1	Mr Ashok Jatia	1	1
2	Mr. G L Modi	1	1
3	Mr. Rajkumar Modi	1	1

IV. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to the provision of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. The terms of reference of the CSR Committee include the matters specified under Section 135 of Companies Act, 2013.

Mr. G L Modi, Executive and Managing Director is the Chairman of the CSR Committee .

The Composition of the CSR Committee is detailed below:

Sr. No	Name of the Director	Category	Position
1	Mr. G L Modi	Executive	Chairman
2	Mr. Suresh Mody	Non- Executive	Member
3	Mr. R A Goenka	Non- Executive and Independent	Member

One meeting of the CSR Committee was held on 30.01.2019. The Chairman was present in the last Annual General Meeting. Details of attendance of each Director at the CSR Committee Meeting is given below:-

Sr. No	Name	No. of meetings held during the year	No. of meeting attended during the year
1	Mr. G L Modi	1	1
2	Mr. Suresh Mody	1	1
3	Mr. R A Goenka	1	1

V. RISK MANAGEMENT COMMITTEE

The terms of reference of the Risk Management Committee include implementation and monitoring the risk management plan for the Company.

Mr. Rajkumar Modi, Joint Managing Director is the Chairman of the Risk Management Committee. The Chairman was present in the last Annual General Meeting.

The Composition of the Risk Management Committee is detailed below:

Sr. No	Name of the Director	Category	Position
1	Mr. Raj Kumar Modi	Executive	Chairman
2	Mr. Kumar Jay Modi	Executive	Member
3	Mr. Rakesh Singh	Executive up to 31.10.2018	Member

VI. SHARE TRANSFER COMMITTEE

The terms of reference of the Share transfer Committee includes approving or dealing with applications for transfer, transmission, transposition and mutation of shares and certificates including duplicate, split, sub-division or consolidation of certificates and to deal with all related matters.

There was one physical transfer during the year.

The Composition of the Share Transfer Committee is detailed below:

Sr. No	Name of the Director	Category	Position
1	Mr. Rajkumar Modi	Executive Director	Chairman
2	Mr. Ramesh Kothari	Chief Financial Officer	Member

One Share transfer Committee Meeting was held during the year ended 31st March, 2019 on 31.01.2019.

Sr. No	Name	No. of meetings held during the year	No. of meeting attended during the year
1	Mr. Rajkumar Modi	1	1
2	Mr. Ramesh Kothari	1	1

VIII. FINANCE COMMITTEE

The terms of reference of the Finance Committee include primarily to provide financial oversight for the organization.

Mr. G.L. Modi, Executive & Managing Director is the Chairman of the Finance Committee.

The Composition of the Finance Committee is detailed below:

Sr. No	Name of the Director	Category	Position
1	Mr. G.L Modi	Executive	Chairman
2	Mr. Suresh Mody	Non-Executive	Member
3	Mr. R A Goenka	Non-Executive and Independent	Member

7. DISCLOSURES

a) Whistle Blower Policy/Vigil Mechanism

In line with the best Corporate Governance practices, Modison Metals Limited, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Higher level and Compliance Officer.

The Whistle-blower Policy is placed on the website of the Company

b) Subsidiary Company

Modison Contacts Private Limited was a subsidiary Company of your Company upto 25.02.2019.

The subsidiary company was not a material subsidiary of the Company.

c) Disclosure of transactions belonging to promoter/promoter group

Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, there are no transactions entered by the Company with any person or entity belonging to the promoter/promoter group which holds 10% or more shareholding other than remuneration to Directors.

8. OTHER DISCLOSURES

- a) There are no materially related party transactions. Related party transactions are disclosed in Note No. 46 to the financial statement in the Annual Report. The Audit Committee had reviewed and approved the related party transactions as mandatory requirement under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy of related party transactions is available on the website of the Company.
- b) The Company has prepared the financial statements in compliance with the Accounting Standards applicability to the Company. There is no material departure from the accounting treatment prescribed under the Accounting Standards.
- c) The Company had complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No pecuniary structures have been imposed on the Company by any of the above mentioned authorities.
- d) The Company has complied with all the mandatory requirements and has also disclosed information relating to non-mandatory requirements.
- e) The Company has formulated a policy on Related Party Transactions and also on dealing with Related Parties which is disclosed on the website of the Company and the weblink is <http://www.modison.com/company-code-and-policies.html>.

All Related Party Transactions have been approved by the Audit Committee. The Company has taken omnibus approval of Audit Committee for a period of one year. The Audit Committee has reviewed on quarterly basis the details of Related Party Transactions entered into by the Company pursuant to such omnibus approval.

- f) M/s. Ragini Chokshi & Co. has certified that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Ministry of Corporate Affairs or any statutory Authority.
- g) There are no such recommendations of any committee of the board which are not accepted during the financial year.

- h) Company pays Rs.4.82 Lakhs as fees for all the services to the statutory auditor(including GST).
- i) No funds are raised during the financial year through preferential allotment or qualified institutions placement.
- j) As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act,2013 (‘Act’) and Rules made thereunder, your Company has adopted a policy for prevention of sexual harassment at work place and has constituted an Complaint Redressal Committee. During the year, the Company has not received any complaints on sexual harassment under the said Act.

9. MEANS OF COMMUNICATION

a) **Quarterly un-audited Financial Results , newspapers wherein results are normally published & Website**

Quarterly un-audited Financial Results were published in the Economic Times, Navbharat Times and Maharashtra Times Newspaper. The half yearly report is not sent separately to the Shareholders. Electronic copy of Annual Report for the financial year ended 2019 and notice of the ensuing AGM is being sent to all shareholders whose email addresses are registered with the Depository Participant. For shareholders who have not registered their email addresses, physical copies are sent through the permitted mode. The Company has updated the quarterly results and other requirements on its website and also in other official news. The Company also update the investor presentation on BSE website. The Company's website is: www.modison.com.

b) **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report forms part of the Director's Report. All matters relating to Industry Structures and Development, Opportunities and Threats, Segment wise and Product wise performance, Outlook, Risks and Concern, Internal Control System and its adequacy, Discussion on financial performance with respect to operational performance, material development in human resources are discussed in the Director's Report.

10. NON-MANDATORY REQUIREMENTS

a) **Chairman's Office**

During the year under review, the Company has not maintained any office for Non Executive Chairman.

b) **Audit Qualifications**

There are no qualifications in the Auditors' Report to the Members on the Financial Accounts for the year ended 31.03.2019.

c) **Shareholders' Rights**

The Quarterly, Half yearly and Annual Financial Results of the Company are published in the Newspapers, besides notifying to the Stock Exchanges where the Company shares are listed. The

Quarterly, Half yearly and Annual Financial Results are also available on Company's website. The Audited annual report is also sent to every shareholders of the Company.

d) Other Non-Mandatory Requirements

The other Non-mandatory requirements will be implemented in due course as and when required and/or deemed necessary by the Board.

11. SECRETARIAL AUDIT

A qualified Practising Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-a-viz the issued and listed capital.

The report by M/s. Ragini Chokshi & Co, a Practising Company Secretary confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Also, the secretarial audit report by M/s. Ragini Chokshi & Co, a Practising Company Secretary have no adverse remarks for the year ended 31st March, 2019. The report is self-explanatory.

12. GENERAL SHAREHOLDER INFORMATION

i)	36 th AGM DATE	06 th August, 2019
ii)	Time	11.30 A.M
iii)	Venue	Radio Room, The Bombay Presidency Radio Club Ltd., 157, Arthur Bunder Road, Colaba, Mumbai – 400005.
iv)	Financial Year	April – March each year.
v)	Book Closure Date	30.07.2019 to 06.08.2019
vi)	Period of e-voting	02.08.2019 (9.00AM) to 05.08.2019 (5.00PM)
vii)	Listing on Stock Exchanges	BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal St. Kala Ghoda, Fort, Mumbai, Maharashtra 400001.
viii)	Stock Code	506261 (BSE Ltd)
ix)	Payment of annual Listing Fee	Listing Fees for the Financial Year: 2018-2019 has been paid to the BSE.
x)	Custodial fees to Depositories	The Company has paid custodial fees for the year 2018-2019 to National Securities Depository Limited (NSDL) and Central Depository Securities Limited (CDSL).
xi)	Dividend Payment	<p>The Interim dividend declared for the financial year 2018-19 was paid on 27.02.2019.</p> <p>The final dividend recommended by the Board of Directors, if any declared in the ensuing AGM should be deposited in a separate bank account within five days of its declaration and shall be paid by 04th September 2019 to the shareholders.</p> <p>The Final dividend declared for the financial year 2017-18 was paid on 28.08.2018.</p>

xii)	Financial Calendar (provisional):	1 st Quarterly Result	Second week of August 2019
		2 nd Quarterly Result	Second week of November 2019
		3 rd Quarterly Result	Second week of February 2020
		Annual Results	Last week of May 2020

xiii) Share Market price data

The monthly high and low prices of equity shares of the company traded at The Stock Exchange, Mumbai and BSE Sensex are as under:-

Month	Stock Exchange, Mumbai		BSE Sensex	
	Highest (Rs.)	Lowest (Rs.)	Highest (Rs.)	Lowest (Rs.)
Apr.2018	64.00	57.90	35213.30	32972.56
May.2018	69.20	53.45	35993.53	34302.89
Jun.2018	65.55	52.40	35877.41	34784.68
Jul.2018	59.25	51.00	37644.59	35106.57
Aug.2018	59.90	50.35	38989.65	37128.99
Sep.2018	54.50	45.25	38934.35	35985.63
Oct. 2018	51.30	40.10	36616.64	33291.58
Nov.2018	49.85	43.30	36389.22	34303.38
Dec.2018	47.50	41.55	36554.99	34426.29
Jan.2019	48.75	42.00	36701.03	35375.51
Feb.2019	45.95	36.00	37172.18	35287.16
Mar.2019	48.85	41.25	38748.54	35926.94

xiv) Share Transfer System:

Trading in Equity Shares of the Company is permitted in dematerialized form. Shares sent for transfer in physical form are registered and returned in a period of fifteen days of the receipt of the document, provided the documents are valid and complete in all respect.

xv) Registrar & Transfer Agent (For physical and Demat)

FREEDOM REGISTRY LIMITED
Plot No. 101/102 MIDC, 19th Street, Satpur, Nasik – 422 007
Tel: 95-253-2354032 Fax: 95-253-2351126
Email : support@freedomregistry.in

xvi) Distribution of Shareholding

 As on 31st March, 2019

Slab	No. of shareholders		No. of Equity Shares	
	Total	%	Total	%
1-100	2282	36.18	140012	0.43
101-200	980	15.54	174833	0.54
201-500	1431	22.69	548225	1.69
501-1000	696	11.03	596470	1.84
1001-5000	693	10.99	1575980	4.86
5001-10000	98	1.55	727598	2.24
10001 & Above	128	2.03	28686882	88.40
Total:	6308	100	32450000	100

xvii) Shareholding Pattern

 As on 31st March, 2019

Non-Promoters Holding

Category	No. of Equity shares	%
Promoters	17044531	52.53%
FIIs/FPIs	50000	0.15%
Mutual Funds	-	-
Private Corporate Bodies	507440	1.56%
NRIs / OCBs	172012	0.53%
Indian Public	14676017	45.23%
Total:	32450000	100.00%

xviii) Dematerialisation of shares and liquidity:

The Equity Shares of Company are dematerialized with National Security Depository Limited and Central Depository Services (India) Limited and the total number of Shares dematerialized as on 31.03.2019 is 32423763.

xix) Outstanding GDRs / Warrants or any convertible instruments

Nil

xx) Registered Office

33 Nariman Bhavan, 227 Nariman Point, MUMBAI – 400021.

Works:

Plot No. 85/A, B, D & E, Phase 1, Road 'E', VAPI- 396195

Address for correspondence

33 Nariman Bhavan, 227 Nariman Point, MUMBAI – 400021

xxi) Commodity price risk or foreign exchange and hedging activities

The Company is exposed to the risk of price fluctuation of silver (raw material). The Company proactively manages this risk through hedging, inventory management. The Company's reputation for quality with robust marketing existence mitigates the impact of price risk on finished goods.

Also, the Company is exposed to Strategic Risk, Allocation of funds for CAPEX, Operational Risks, Regulatory and environmental non-compliances. The Company copes these risks by developing alternate plans, framing various policies, initiatives, guidelines, using automated systems.

The Company has a robust Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

xxii) Compliance Certificate by Auditors

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is given as an annexure to Directors' Report.

xxiii) Certification by CEO for compliance with Code of Conduct

As required under Regulation 17 read with Schedule V (D) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board Members and Senior Management Personnel have affirmed compliance with the Company's code of conduct for the year ended 31st March, 2019. The code of conduct of the Company also includes Code of Independent Directors which is available on the Company's website.

xxiv) Credit ratings obtained

Credit Analysis & Research (CARE LTD) has affirmed credit rating for all the debt instruments - long term bank facilities and for short term bank facilities to Care A (Single A).

Mr. G. L. MODI
Managing Director

Mr. SURESH MODY
Director

Place : Mumbai
Date : 28th May, 2019

The above Corporate Governance Report has been adopted by the board of Directors at their meeting held on 28th May, 2019.

Mr. G. L. MODI
Managing Director

Mr. SURESH MODY
Director

Place : Mumbai
Date : 28th May, 2019

CERTIFICATION

We, the undersigned of the Company hereby certify that

1. We have reviewed the financial statements and the cash flow statement of Modison Metals Limited for the year 31st March 2019 and that to the best of their knowledge and belief, we state that:
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - These statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies and
4. We have indicated to the auditors and the Audit committee that there are:
 - No significant changes in internal control over financial reporting during the year;
 - The significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Mr. G. L. Modi
Managing Director

Ramesh Kothari
Chief Financial Officer

Place: Mumbai
Date: 28th May, 2019

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Modison Metals Limited

We have examined the compliance of conditions of Corporate Governance by Modison Metals Limited (the Company), for the year ended 31 March 2019, as per the relevant provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Kanu Doshi Associates LLP**
Chartered Accountants
Firm Regn No.: 104746W/W100096

Kunal Vakharia
Partner
Membership No.:148916

Place : Mumbai
Date : 28th May, 2019

INDEPENDENT AUDITORS' REPORT

To the Members of MODISON METALS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **MODISON METALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31st, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventory Valuation	Principle Audit Procedures
As at March 31, 2019 the Company held Rs. 6473.18 Lakhs of inventory representing 35.93% of total assets. Given the size of the inventory balance relative to the total assets of the Company and the estimates and judgments described below, the valuation of inventory required significant audit attention.	We have performed the following procedures over the valuation of inventory:- ⇒ For sample inventory items, re-performed the weighted average cost calculation;

<p>As disclosed in Note No. 2(F), inventories are held at the lower of cost or net realisable value determined by using the weighted average cost method except for inventories that are booked by customers for their process work which are valued at the rates at which the same is booked by them.</p> <p>Management undertake the following procedure for determining valuation of closing inventory:</p> <ul style="list-style-type: none"> • Use Inventory ageing report to check slow moving & non-moving inventory to evaluate write down, if any, required; • Perform a line-by-line analysis of remaining inventory to ensure it is stated at the lower of cost or net realizable value and a specific write down is recognized, if required. • For valuing inventory work in progress the Company follows norm based on management's estimates and judgments. <p>Derivative Hedging of Commodity Price Risk</p> <p>The Company uses derivative financial instruments to hedge commodity price risks. These instruments are typically used to hedge prices of silver which is the main raw material used by the Company for production of its finished products. Due to estimates and judgments involved in entering to derivative contract, it requires significant audit attention.</p> <p>Management undertakes the following procedure for accounting of derivative contract:</p> <ul style="list-style-type: none"> • Perform reconciliation of derivative financials instrument with third party confirmation • Checking of minimum margin money required to keep with third party. • Booking of hedging gain / loss on daily basis <p>(For the year ended March 31, 2019 the Company has net hedging gain of Rs.293.05 Lakhs Shown under exceptional item.)</p>	<p>⇒ We tested that the ageing report used by management by verifying a sample of aged inventory with the last recorded invoice;</p> <p>⇒ On a sample basis we tested the net realizable value of inventory of raw material lines with recent selling prices of finished goods wherein these raw materials are used;</p> <p>⇒ Held discussions with management, to understand and corroborate the assumptions applied in estimating the inventory norms used for valuation of the inventory held as work in progress.</p> <p>We also made enquiries with the management and considered the results of our testing above to determine whether any specific write downs were further required. From the procedures performed we have no matters to report.</p> <p>We have performed the following procedures to verify the accounting of derivative financial instruments.</p> <p>⇒ Obtaining an understanding of the risk management policies and testing key controls for the use and the measurement of derivative financial instruments.</p> <p>⇒ Reconciling derivative financial instruments data to third party confirmations.</p> <p>⇒ Reconciling hedging gain / loss with third party confirmations.</p> <p>⇒ Considering the appropriateness of disclosures in relation to derivative financial instruments.</p>
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Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those charged with Governance for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Financial Statements have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Financial Statements.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”
- g) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivatives contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For **Kanu Doshi Associates LLP**
Chartered Accountants
FRN. No. 104746W/W100096

Kunal Vakharia
Partner
Membership no. 148916

Place: Mumbai
Date : 28th May, 2019

ANNEXURE A TO THE AUDITOR'S REPORT

Referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirements' in our Report of even date on the accounts of **MODISON METALS LIMITED** for the year ended March 31st, 2019

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. The company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made and Section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the company under sub Section (1) of Section 148 of the Companies Act, 2013 and such accounts and records have been made and maintained by the Company. However, no detailed examinations of such records have been carried out by us.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, Goods & Service Tax and any other material statutory dues applicable to it.
- (b) According to the records of the Company, there are no dues of Duty, Income Tax and Customs Duty which have not been deposited on account of any dispute except disclosed below:

The disputed amounts that have not been deposited in respect of Income Tax, Sales Tax and Excise Duty are as under:

Sr. No.	Name of the Statute	Nature of the dues	Forum where the dues is pending	Rs. In Lakhs
1.	Central Excise Act, 1944	Demand of Service Tax	Commissioner of Central Excise (Appeals)	18.80
		Demand of Excise Duty on Sales	Central Excise and Service Tax Appellate Tribunal	2.81
		Demand of Excise Duty on Sales	The Commissioner of CGST & Central Excise (Appeals)	907.74
		Demand of Service Tax	Commissioner of Central Excise (Appeal)	8.04
		Demand of Service Tax	Commissioner of Central Excise (Appeals)	13.28
2.	Income tax Act, 1961	Income tax (AY 16-17)	Commissioner of Income Tax (Appeals)	12.74
3.	Gujarat Value Added tax Act, 2003.	Sales Tax (FY 06-07)	Gujarat Value Added Tax Tribunal	0.97

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to banks during the year. The company has not taken any loan or borrowing from government, financial institution, and has not issued debentures during the year.
- ix. The Company has not raised any money by way of public issue/ further offer (including debt instruments) and through term loans during the year. Accordingly, clause 3(ix) of the order is not applicable to the Company.
- x. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

For **Kanu Doshi Associates LLP**

Chartered Accountants

Firm registration No: 104746W/W100096

Kunal Vakharia

Partner

Membership No: 148916

Place: Mumbai

Date : 28th May, 2019

ANNEXURE B TO THE AUDITORS' REPORT

(Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MODISON METALS LIMITED** ("the Company") as of March 31st, 2019 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Kanu Doshi Associates LLP**

Chartered Accountants

Firm registration No: 104746W/W100096

Kunal Vakharia

Partner

Membership No: 148916

Place: Mumbai

Date : 28th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019
(Rupees in Lakhs)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
(1) Non - current assets			
(a) Property, Plant and Equipment	3	5,607.23	5,743.03
(b) Capital work - in - progress	4	91.16	75.10
(c) Investment Property	5	205.52	216.04
(d) Other Intangible Assets	6	16.63	12.67
(e) Intangible Assets under development	7	-	7.71
(f) Financial assets			
(i) Investments	8	-	14.92
(ii) Other financial assets	9	82.60	82.88
(g) Other non current tax assets (Net)	10	27.24	67.76
(h) Other non - current assets	11	481.83	578.62
Total Non Current Assets		6,512.21	6,798.73
(2) Current Assets			
(a) Inventories	12	6,473.18	4,705.14
(b) Financial assets			
(i) Trade receivables	13	4,223.39	4,189.15
(ii) Cash and cash equivalents	14	9.14	67.06
(iii) Bank balances other than (ii) above	15	214.63	151.93
(iv) Other financial assets	16	31.93	38.34
(c) Other current assets	17	549.53	259.38
Total Current Assets		11,501.80	9,411.00
Total Assets		18,014.01	16,209.73
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	324.50	324.50
(b) Other Equity	19	13,437.30	12,368.76
Total Equity		13,761.80	12,693.26
LIABILITIES			
(1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	40.24	80.83
(ii) Other financial liabilities	21	-	8.89
(b) Provisions	22	104.18	94.22
(c) Deferred tax liabilities (Net)	23	647.82	674.74
Total Non Current Liabilities		792.24	858.68
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	2,045.38	1,214.56
(ii) Trade payables	25	443.14	550.67
(iii) Other financial liabilities	26	55.51	67.91
(b) Other current liabilities	27	706.58	623.03
(c) Provisions	28	58.13	47.16
(d) Current tax liabilities (Net)	29	151.23	154.46
Total Current Liabilities		3,459.97	2,657.79
Total Liabilities		4,252.21	3,516.47
Total Equity & Liabilities		18,014.01	16,209.73

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

KUNAL VAKHARIA
PARTNER
MEMBERSHIP NO. 148916

G.L. MODI
DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 28th May, 2019

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

**STATEMENT OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2019**

(Rupees in Lakhs)

Particulars	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operation	31	22,028.44	20,518.64
Other income	32	70.37	150.34
Total Income		22,098.81	20,668.98
Expenses:			
Cost of material consumed	33	16,573.58	14,296.53
Purchases of Stock - in - Trade	34	176.49	0.10
Changes in inventories of Finished goods, work - in -progress and Stock - in - trade	35	(1,421.38)	(412.59)
Excise Duty on Sales	36	-	401.60
Employee benefit expenses	37	1,386.91	1,282.29
Finance Cost	38	220.39	185.45
Depreciation & amortization expenses	39	636.47	628.16
Other Expenses	40	2,374.01	2,242.24
Total Expenses		19,946.47	18,623.78
Profit before exceptional items & tax		2,152.34	2,045.20
Exceptional Items Income/(Expense)	41	293.05	305.46
Profit before tax		2,445.39	2,350.66
Less: Tax expenses			
(1) Current tax			
of Current years		794.70	846.10
of Earlier years		9.46	3.01
(2) Deferred tax		(26.90)	(138.77)
Total Income Tax Expense		777.26	710.34
Profit after tax		1,668.13	1,640.32
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss		(12.79)	(3.18)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income for the year		(12.79)	(3.18)
Total Comprehensive Income for the year		1,655.34	1,637.14
Earning per equity share (Face Value of Rs. 1/- each)	42		
(1) Basic		5.14	5.05
(2) Diluted		5.14	5.05

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**KUNAL VAKHARIA
PARTNER
MEMBERSHIP NO. 148916**

PLACE : MUMBAI
DATED : 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

**G.L. MODI
DIRECTOR
DIN: 00027373**

**RAMESH KOTHARI
CHIEF FINANCIAL OFFICER**

**SURESH MODY
DIRECTOR
DIN: 00027432**

**DEEPASHREE DADKAR
COMPANY SECRETARY**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019
(Rupees in Lakhs)
a. Equity

Particulars	No of Shares	Amount
Balance at at 31 st March, 2018	3,24,50,000	324.50
Changes in equity share capital during the year	-	-
Balance at at 31 st March, 2019	3,24,50,000	324.50

b. Other Equity

Particulars	Reserve and Surplus			Other items of Other comprehensive income		Total Other Equity
	Capital Reserve	General Reserve	Retained Earning	Remeasurement of net defined benefit plans	Revaluation Reserve	
Balance as at March 31, 2018	190.88	1,114.72	11,055.34	(28.18)	36.00	12,368.76
Profit for the year	-	-	1,668.13	(12.79)	-	1,655.34
Disposal of revalued assets	-	-	0.13	-	(0.13)	-
Remeasurements of Defined Benefit Plan	-	-	-	-	-	-
Final Dividend paid	-	-	(162.25)	-	-	(162.25)
Interim Dividend paid	-	-	(324.50)	-	-	(324.50)
Dividend Distribution tax paid	-	-	(100.05)	-	-	(100.05)
Balance as at March 31, 2019	190.88	1,114.72	12,136.80	(40.97)	35.87	13,437.30

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096

FOR AND ON BEHALF OF THE BOARD

KUNAL VAKHARIA
PARTNER
MEMBERSHIP NO. 148916

G.L. MODI
DIRECTOR
DIN: 00027373

SURESH MODY
DIRECTOR
DIN: 00027432

PLACE : MUMBAI
DATED : 28th May, 2019

RAMESH KOTHARI
CHIEF FINANCIAL OFFICER

DEEPASHREE DADKAR
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019
(Rupees in Lakhs)

	2018-19	2017-18
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	2,445.39	2,350.66
Adjustment for:		
Depreciation /Amortisation	636.47	628.16
Interest Income	(22.53)	(19.90)
Reclassification of remeasurement of employee benefits	(12.79)	(3.18)
Interest Expenses	201.64	142.64
Allowance for Bad Debts	10.35	-
(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	12.81	12.93
Profit on Sale of Investment	0.03	-
Excess Provision written back (Net)	-	(5.16)
Sundry balance written back (Net)	(5.96)	0.39
Exchange Rate Fluctuation (Net)	(32.66)	(22.28)
	<u>787.36</u>	<u>733.60</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,232.75	3,084.26
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Other non - current assets	(8.02)	6.05
Inventories	(1,768.04)	(536.66)
Trade Receivable	(5.97)	(239.37)
Other Bank Balances	(62.70)	(13.18)
Other Non Current financial assets	0.28	(2.53)
Other financial assets	0.87	(7.51)
Other current assets	(290.15)	(99.70)
Other non current financial liabilities	(8.89)	8.89
Trade payables	(107.56)	222.74
Other current financial liabilities	(0.99)	1.30
Other current liabilities	83.55	44.46
Provisions	20.93	5.27
	<u>(2,146.69)</u>	<u>(610.24)</u>
Cash Generated from Operations	1,086.06	2,474.02
Direct Taxes paid	(766.87)	(612.10)
NET CASH FROM OPERATING ACTIVITIES	319.19	1,861.92
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment including Capital Work in Progress	(465.83)	(822.56)
Sale of Investment	14.89	-
Sale of Property Plant and Equipment	40.31	22.17
Interest Received	28.07	16.08
	<u>(382.56)</u>	<u>(784.31)</u>
NET CASH USED IN INVESTING ACTIVITY	(382.56)	(784.31)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Net (Decrease)/ Increase in Borrowings	793.18	(490.66)
Interest Paid	(201.47)	(147.22)
Dividend Paid (Inclusive of Dividend Distribution Tax)	(586.26)	(392.66)
	<u>5.45</u>	<u>(1,030.54)</u>
NET CASH USED IN FINANCING ACTIVITY	5.45	(1,030.54)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(57.92)	47.07
OPENING BALANCE OF CASH & CASH EQUIVALENTS	67.06	19.99
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	9.14	67.06
	<u>(57.92)</u>	<u>47.07</u>

Notes Closing Balance of Cash & Cash Equivalents

1	Cash and Cash Equivalents Includes: (Refer Note No 14)		
	CASH IN HAND	2.49	3.47
	BALANCE WITH SCHEDULED BANKS		
	- In Current Account	6.65	63.59
		<u>9.14</u>	<u>67.06</u>
2	Interest received excludes interest received for overdue payments from customers of Rs.7.19 Lakhs (Previous Year Rs.15.68 Lakhs), which has been considered from operational activities of the company.		
3	Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.		

As per our report of even date attached

FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS
Firm's Registration Number: 104746W/W100096
FOR AND ON BEHALF OF THE BOARD
KUNAL VAKHARIA
PARTNER
MEMBERSHIP NO. 148916
G.L. MODI
DIRECTOR
DIN: 00027373
SURESH MODY
DIRECTOR
DIN: 00027432
PLACE : MUMBAI
DATED : 28th May, 2019
RAMESH KOTHARI
CHIEF FINANCIAL OFFICER
DEEPASHREE DADKAR
COMPANY SECRETARY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31ST, 2019**

1 CORPORATE INFORMATION

Modison Metals Limited (herein referred to as “MML” or “ the company”) is public limited company incorporated and domiciled in India. The address of its registered office is 33, Nariman Bhavan, 227, Nariman Point, Mumbai-400021, Maharashtra, India. The Company is a leading manufacturer of Electrical contacts in all the three segments, LV, MV & HV. The equity shares of the Company are listed on BSE Limited (“BSE”). The financial statements are presented in Indian Rupee (₹).

2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the “Act”) and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements were authorized for issue by the Company’s Board of Directors on 28th May, 2019.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Defined benefit plans where plan assets are measured at fair value.

iii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(B) Use of estimates and judgements

“The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.”

(C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(I) Financial Assets**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(c) Fair Value Hedge

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised in statement of profit and loss.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same

lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

(E) Segment Report

- (i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segment are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
- (ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(F) Inventories Valuation

- (i) Consumable tools, raw material, packing material, work in progress, finished goods and stores & spares have been valued at lower of cost and net realisable value.
- (ii) Cost of raw material has been ascertained on weighted average cost basis. Cost of finished goods and work-in-progress comprises, raw materials, direct labour, other direct costs and related production overheads.
- (iii) Cost of other inventories has been ascertained on First-In-First-Out method (FIFO).
- (iv) Silver booked by customers for their process work has been valued at the rates at which the same is booked by them. Scrap is valued at Net Realizable Value.

(G) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

(H) Income tax, deferred tax and dividend distribution tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(iii) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

(I) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

- (i) Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (iii) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (iv) Depreciation methods, estimated useful lives and residual value:
 - (a) Fixed assets are stated at cost less accumulated depreciation.
 - (b) Depreciation in respect of tangible assets i.e. Factory Building for SF6, Electric Installation for SF6 project, Factory Buildings at Plot No. 85-B and Plot Nos. 85/D & E has been provided on straight line method (SLM) and in respect of all other tangible assets on written down method (WDV) as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation in respect of the following tangible assets, whose life of the assets has been assessed by the management as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. is charged as under:

Assets

Plant & Machinery AG	13.91% on WDV Basis
Plant & Machinery SF6	4.75% on SLM Basis
R&D Plant & Machinery	4.75% on SLM Basis

- (c) Certain assets had been revalued by the Company in the year 1993 - 1994, these assets are appearing at revalued amounts less accumulated depreciation. All other assets are appearing at historical cost less accumulated depreciation.
- (d) No amortisation is provided in accounts in respect of Leasehold Land.
- (e) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (f) The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(J) Investment Property

Property that is held for rental or Capital appreciation and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(K) Intangible assets

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Cost of technical know-how is amortised over a period of 10 years.
- (iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

(L) Leases**(i) As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(M) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). There are no material impact on revenue recognition by applying this standard.

(1) Sales**(i) The Company recognizes revenue from sale of goods when:**

- (a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) The amount of revenue can be reliably measured.
- (d) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- (f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(ii) The Company recognizes revenue from sale of services when:

- (a) The amount of revenue can be measured reliably.
- (b) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (c) The stage of completion of the transaction at the end of the reporting period can be measured reliably.

- (d) The cost incurred for transaction and the cost to complete the transaction can be measured reliably.

(2) Other Income

(i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(iii) Export Benefits

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

(N) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit gratuity plan:

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Life Insurance Corporation of India (LIC) . The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The Company has funded the liability on account of leave benefits through LIC's Group Leave Encashment Assurance Scheme and the Contribution is charged to Statement of Profit and Loss. In case of non member of the gratuity fund, the same is provided as per the approval of central Government and/or as per payment of the Gratuity Act, 1972.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined benefit provident fund plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

(O) Foreign currency translation**(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(P) Borrowing Cost

- (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(Q) Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(R) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(S) Provisions, contingent liabilities and contingent assets**(i) Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(T) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for mutual fund which is fair value through Statement of Profit and Loss.

Investment in subsidiaries which are of equity in nature carried at cost in the separate financial statements.

(U) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(V) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(W) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

**NOTE NO 3
PROPERTY, PLANT AND EQUIPMENT** (Rupees in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2018	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019	UP TO 01.04.2018	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2019
Leasehold Land	94.46	-	-	94.46	-	-	-	-	94.46
Buildings	1,000.59	5.59	-	1,006.18	109.25	50.98	-	160.23	845.95
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	453.46	41.21	-	494.67	42.37	22.53	-	64.90	429.77
Plant & Machinery	2,844.13	155.55	32.09	2,967.59	653.66	312.67	-	10.44	2,011.70
Plant & Machinery (SF6)	2,250.76	287.41	29.95	2,508.22	329.26	157.93	-	7.79	2,028.82
Furniture & Fixtures	33.60	1.39	-	34.99	12.94	4.78	-	17.72	17.27
Vehicles	238.46	36.67	22.83	252.30	47.30	61.09	-	13.73	157.64
Office Equipments	46.51	9.69	0.57	55.63	24.15	10.22	-	0.36	21.62
Total Property, Plant and Equipment	6,961.97	537.51	85.44	7,414.04	1,218.93	620.20	-	32.32	5,607.23

**NOTE NO 3
PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Leasehold Land	94.46	-	-	94.46	-	-	-	-	94.46
Buildings	976.52	24.07	-	1,000.59	55.08	54.17	-	-	891.34
Buildings (SF6, Plot No. 85 B and Plot No. 85 D&E)	434.98	18.48	-	453.46	21.16	21.21	-	-	411.09
Plant & Machinery	2,583.02	291.02	29.91	2,844.13	337.44	322.55	-	6.33	2,190.47
Plant & Machinery (SF6)	2,165.07	89.87	4.18	2,250.76	166.80	163.90	-	1.44	1,921.50
Furniture & Fixtures	31.95	1.65	-	33.60	6.91	6.03	-	-	20.66
Vehicles	79.44	173.24	14.22	238.46	24.22	28.56	-	5.48	191.16
Office Equipments	36.80	9.81	0.10	46.51	12.55	11.66	-	0.06	22.36
Total Property, Plant and Equipment	6,402.24	608.14	48.41	6,961.97	624.16	608.08	-	13.31	5,743.03

NOTE NO 4
CAPITAL WORK-IN-PROGRESS

(Rupees in Lakhs)

PARTICULARS	AS AT 01.04.2018	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019
Capital Work- in- Progress (Refer Note No 4.1)	75.10	16.06		91.16
Previous Year	77.66	-	2.56	75.10

Note No 4.1: Capital work-in-progress mainly comprises for Building & Plant & Machinery.

NOTE NO 5
INVESTMENT PROPERTY

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES				NET CARRYING AMOUNT
	AS AT 01.04.2018	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019	UP TO 01.04.2018	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2019
Residential Flats	227.10	-	-	227.10	11.06	10.52	-	-	21.58
Total Investment Property	227.10	-	-	227.10	11.06	10.52	-	-	205.52

INVESTMENT PROPERTY

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES				NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
Residential Flats	227.10	-	-	227.10	-	11.06	-	-	11.06
Total Investment Property	227.10	-	-	227.10	-	11.06	-	-	216.04

Amount recognised in profit or loss for Investment Properties

Particulars	March 31st, 2019	March 31st, 2018
Rental Income	14.30	13.24
Direct expenses related to property	4.85	8.08
There are no restrictions on the realisability of investment property.		
The company is using same life for the same class of asset as applicable for property plant and equipment.		
Fair Value		
The Company has not taken third party independent valuation for the property.		
The estimated fair value is Approx. Rs. 407.26 Lakhs based on the ready reckoner rates.		

NOTE NO 6
OTHER INTANGIBLE ASSETS

(Rupees in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES				NET CARRYING AMOUNT	
	AS AT 01.04.2018	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019	UPTO 01.04.2018	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR		AS AT 31.03.2019
Computer Software	36.99	9.71	-	46.70	24.31	5.75	-	-	30.06	16.63
Technical Know How	-	-	-	-	-	-	-	-	-	-
Total Other Intangible Assets	36.99	9.71	-	46.70	24.31	5.75	-	-	30.06	16.63

OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION/IMPAIRMENT LOSSES					NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	
Computer Software	27.76	9.23	-	36.99	15.30	9.01	-	-	24.31	12.67
Technical Know How	-	-	-	-	-	-	-	-	-	-
Total Other Intangible Assets	27.76	9.23	-	36.99	15.30	9.01	-	-	24.31	12.67

NOTE NO 7
INTANGIBLE ASSETS UNDER DEVELOPMENT

PARTICULARS	AS AT 01.04.2018	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2019
Intangible assets under development (Note No 7.1)	7.71	-	7.71	-
Previous Year	7.71	-	-	7.71

Note No 7.1: Intangible assets under development is related to Website Development.

(Rupees in Lakhs)

8 NON CURRENT INVESTMENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Unquoted In Equity Instruments		
Investment in Subsidiary Company (At cost)		
Modison Contact Pvt. Ltd (Quantity as at 31st March 2018: 4,800)	-	14.92
	<u>-</u>	<u>14.92</u>

9 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, Considered Good, unless specified otherwise)		
Deposits	82.60	82.60
Loans and Advances to Employees	-	0.28
	<u>82.60</u>	<u>82.88</u>

10 OTHER NON CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax and Tax Deducted at Source (Net of Provision for Taxation)	27.24	67.76
	<u>27.24</u>	<u>67.76</u>

11 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, Considered Good, unless specified otherwise)		
Capital Advances	472.32	577.13
Advance recoverable in cash or kind or for value to be received	9.51	1.49
	<u>481.83</u>	<u>578.62</u>

12 INVENTORIES

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Material (Refer Note No 12.1)	998.57	655.97
Work-in-progress (Refer Note No 12.2)	5,078.46	3,878.00
Finished Goods	195.53	90.18
Stores & Spares	11.29	9.82
Others		
Packing Material	6.33	3.74
Scrap	183.00	67.43
	<u>6,473.18</u>	<u>4,705.14</u>

Note No 12.1: Raw Material includes Stock -in transit Rs. 380.73 Lakhs (31st March 2018 Rs. Nil).

Note No 12.2: As per the policy of inventory valuation of the company, the Silver booked by the customer has been valued at the rate at which the same is booked by customers which is not in consonance with IND AS 2, on "Inventories". However the impact on the profit is not material.

(Rupees in Lakhs)

13 TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, Considered Good, unless specified otherwise)		
Considered good	4,223.39	4,189.15
Considered Doubtful	20.18	9.83
Less : Allowance for Expected Credit Loss (Refer Note No 13.1)	(20.18)	(9.83)
	4,223.39	4,189.15

Note No 13.1: Movement in the allowance of doubtful receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	9.83	35.30
Less: Amounts written off during the year (net)	10.35	(25.47)
Changes in allowance for doubtful receivables	-	-
Balance at end of the year	20.18	9.83

The average credit period is around 60 days for Sales depending upon Terms of the Purchase Orders. Normally no interest is charged on trade receivables. The Company is providing for expected credit loss based on past trends of receivable.

14 CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance With Banks		
- In Current Account	6.65	63.59
- In Current Account Foreign Currency	-	-
Cash on Hand	2.49	3.47
	9.14	67.06

15 BANK BALANCES

Particulars	As at March 31, 2019	As at March 31, 2018
Unpaid Dividend Account (Refer Note No 15.1)	4.12	3.58
Margin Money Account (Refer Note No 15.2)	210.51	148.35
	214.63	151.93

Note No 15.1: The company can utilise balances only towards settlement of the unpaid dividend.

Note No 15.2: Margin money deposits amounting to Rs. 82.26 Lakhs (31st March 2018 Rs. 71.76 Lakhs) are lying with bank against Bank Guarantees, Buyers Credit and Letter of Credit & Rs. 128.25 Lakhs (31st March 2018 Rs. 76.59 Lakhs) is lying with Reliance Commodities Limited towards margin for forward commodity contract (Hedging).

(Rupees in Lakhs)

16 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits	5.48	13.81
Advances to Staff	7.27	7.69
Interest Receivable	11.30	16.84
Other Receivable	7.88	-
	31.93	38.34

17 OTHER CURRENT ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with Government Authorities	45.41	43.86
Advance to supplier	197.88	37.82
Advance recoverable in cash or kind or for value to be received	261.45	168.34
Duty Drawback Receivable	44.79	9.36
	549.53	259.38

18 EQUITY SHARE CAPITAL & OTHER EQUITY

Particulars	As at March 31, 2019	As at March 31, 2018
Authorized Share Capital		
10,00,00,000 Equity shares, Re. 1/- par value (31st March 2018: 10,00,00,000 equity shares Re. 1/- each)	1,000.00	1,000.00
	1,000.00	1,000.00
Issued, Subscribed and Fully Paid Up Shares		
3,24,50,000 Equity Shares, Re. 1/- par share (31st March 2018: 3,24,50,000 equity shares Re. 1/- each)	324.50	324.50
Total Issued, Subscribed and Fully Paid Up Share Capital	324.50	324.50

Note No 18.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31st March 2019 :

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
Number of shares at the beginning	3,24,50,000	324.50	3,24,50,000	324.50
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back	-	-	-	-
Number of shares at the end	3,24,50,000	324.50	3,24,50,000	324.50

(Rupees in Lakhs)

Note No 18.2: Terms/rights attached to equity shares

- (A) The company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No 18.3: The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	As at 31 March 2019		As at 31 March 2018	
	No. of shares held	% held as at March 31, 2019	No. of shares held	% held as at March 31, 2018
Mr. Rajkumar Modi	67,47,305	20.79%	67,01,210	20.65%
Mr. Prakashchandra Modi	46,60,509	14.36%	46,60,488	14.36%
Mr. Kumar Jay Modi	17,74,000	5.47%	17,74,000	5.47%
G.L. Modi HUF	75,82,130	23.37%	75,82,130	23.37%

Note No 18.4: The details of Interim/final Dividend paid per share is as under-

(In Rupees)

Year	Interim Dividend paid per share	Proposed Final Dividend per share
2018-19	1.00	0.50
2017-18	1.00	0.50
2016-17	1.00	-

19 OTHER EQUITY

Particulars	As at March 31, 2019	As at March 31, 2018
* Reserve & Surplus		
# Capital Reserve	190.88	190.88
## General Reserve	1,114.72	1,114.72
Retained Earnings	12,136.80	11,055.34
Other Comprehensive Income (OCI)		
- Remeasurement of net defined benefit plans	(40.97)	(28.18)
- Revaluation Reserve ###	35.87	36.00
	13,437.30	12,368.76

* For movement, refer statement of changes in equity.

Capital reserve mainly represents amount on capital nature account.

General reserve reflects amount transferred from statement of profit and loss in accordance with regulations of the Companies Act, 2013.

Revaluation reserve represent revaluation done of certain property plant & equipment in earlier years.

(Rupees in Lakhs)

20 BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Loan		
Term Loans		
From Bank		
Vehicle Loans (Refer Note No 20.1)	40.24	80.83
	40.24	80.83

Note No 20.1: Terms of Repayment, Nature of Securities in respect of Term Loans

Vehicle loan taken from HDFC Bank Ltd & ICICI Bank Limited carried interest @ range between 8.35% to 10.49% and is repayable in range between 36 to 37 monthly installment. The loan is secured by hypothecation of Vehicle.

21 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits	-	8.89
	-	8.89

22 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for Employee Benefits		
For Gratuity	104.18	94.22
	104.18	94.22

23 DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liabilities		
Difference between depreciation as per books and as per Income- tax Act, 1961	693.03	713.41
	693.03	713.41
Less: Deferred tax assets		
Expenses allowable on payment basis	39.33	35.81
Allowance for Bad & Doubtful Debts	5.88	2.86
	45.21	38.67
Deferred tax liabilities (Net)	647.82	674.74
	647.82	674.74

(Rupees in Lakhs)

Note No 23.1:

Particulars	Net balance as at 1 st April, 2018	Recognised in statement of profit and loss	Net balance as at 31 st March, 2019
Deferred tax Liabilities/(Assets)			
Property, plant and equipment/Other Intangible Assets	713.41	(20.37)	693.03
Expenses allowable under income tax on payment basis	(35.81)	(3.52)	(39.33)
Allowance for Expected Credit Loss	(2.86)	(3.02)	(5.88)
	674.74	(26.90)	647.82

Particulars	Net balance as at 1 st April, 2017	Recognised in statement of profit and loss	Net balance as at 31 st March, 2018
Deferred tax Liabilities/(Assets)			
Property, plant and equipment/Other Intangible Assets	865.40	(151.99)	713.41
Expenses allowable under income tax on payment basis	(39.67)	3.86	(35.81)
Allowance for Expected Credit Loss	(12.22)	9.35	(2.86)
	813.51	(138.77)	674.74

Income tax

The major components of income tax expense for the year ended 31 March, 2019

Particulars	For the year ended 31 st March, 2019	For the year ended 31 st March, 2018
Current tax – including earlier years: Rs. 9.46 Lakhs (31 March 2018: Rs. 3.01 Lakhs)	804.16	849.11
Deferred Tax	(26.90)	(138.77)
	777.26	710.34

Reconciliation of tax expenses and accounting profit multiplied by domestic tax rate

Particulars	For the year ended 31 st March, 2019	For the year ended 31 st March, 2018
Profit before income tax expenses	2,445.39	2,350.66
Tax at the Indian tax rate @ 29.12% (31 March 2018, 34.608 %)	712.10	813.52
Add: Item giving rise to difference in tax		
Permanent difference of income as per books vs income as per income tax	14.47	7.70
Earlier year adjustment	9.46	3.01
Interest provision u/s 234B & 234C	42.20	-
Others	(0.97)	(113.89)
	777.26	710.34

(Rupees in Lakhs)

24 BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Loan (Refer Note No 24.1)		
From Bank		
Working Capital Loan	2,045.38	1,214.56
	2,045.38	1,214.56

Note No 24.1: Secured by Hypothecation of stocks & book debts and further secured by collateral security of all movable and immovable factory properties including Land & Building.

25 TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Dues of micro and small enterprises (Refer Note No 25.1)	3.86	-
Dues other than micro and small enterprises (Refer Note No 25.1)	439.28	550.67
	443.14	550.67

Note No 25.1: The company has received information from some vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. The payments were made within due dates and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

26 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long Term Debt (Refer Note No 20.1)	40.61	37.66
Interest Accrued but not due	0.43	0.26
Unpaid Dividends	4.12	3.58
Sundry Creditors For Capital Goods	9.60	24.67
Deposits	0.75	1.15
Other Payables	-	0.60
	55.51	67.91

27 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Advances From Customers	473.38	374.59
Statutory Dues Payable	233.20	247.35
Others	-	1.09
	706.58	623.03

(Rupees in Lakhs)

28 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
For Gratuity	24.10	18.25
For Leave Salary	34.03	28.91
	58.13	47.16

29 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for taxation (Net of tax payment)	151.23	154.46
	151.23	154.46

30 a) CONTINGENT LIABILITIES: #

Particulars	As at March 31, 2019	As at March 31, 2018
Disputed Income Tax Liabilities	50.86	47.96
Disputed Sales Tax Liabilities	33.18	33.18
Disputed Central Excise & Service Tax Liabilities	952.81	43.78
Bond issued under Export Promotion Capital Goods Scheme	-	-
	1,036.85	124.92

b) COMMITMENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amounts of Contracts remaining to be executed on Capital account and not provided for (Net of Advances)	445.44	274.74
	445.44	274.74

The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.

(Rupees in Lakhs)

31 REVENUE FROM OPERATION

Particulars	March 31, 2019	March 31, 2018
Sales of Product (Refer Note No 31.1)	21,796.38	20,448.49
Sale of Services	5.97	1.86
Other Operating Revenue		
Export incentive received	226.09	68.29
	22,028.44	20,518.64

Note No 31.1: Goods and Service Tax (GST) have been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sale of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products, and 'Revenue from operations' for the year ended March 31, 2019 are not comparable with those of previous year. Excise duty on sales amounting to Rs. Nil (31st March, 2018 : Rs. 401.60 Lakhs) has been included in sales in Statement of Profit and Loss.

32 OTHER INCOME

Particulars	March 31, 2019	March 31, 2018
Interest Income (Refer Note No 32.1)	29.80	35.58
Rent Received	14.30	13.24
Other Non Operating Income		
Net Foreign Exchange Gain (Net)	-	95.16
Miscellaneous Income	26.24	6.36
Profit on sale of investment	0.03	-
	70.37	150.34

Note No. 32.1 : Break-up of Interest Income

Interest income on deposits with banks	9.40	9.95
Interest income on deposits with others	9.93	5.73
Interest income on Income tax refund	3.20	4.22
Interest income from customers	7.27	15.68
	29.80	35.58

33 COST OF RAW MATERIALS CONSUMED

Particulars	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	655.97	407.47
Add : Purchases of Raw Material	16,709.98	14,545.03
	17,365.95	14,952.50
Less : Sale of Raw Material	174.53	-
Less : Inventory at the end of the year	617.84	655.97
Consumption of Raw Material	16,573.58	14,296.53

(Rupees in Lakhs)

34 PURCHASES OF STOCK IN TRADE

Particulars	March 31, 2019	March 31, 2018
Traded goods	176.49	0.10
	176.49	0.10

35 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

Particulars	March 31, 2019	March 31, 2018
Inventories at the end of the year		
Finished Goods	195.53	90.18
Work In Progress	5,078.46	3,878.00
Scrap	183.00	67.43
	5,456.99	4,035.61
Inventories at the beginning of the year		
Finished Goods	90.18	44.26
Work In Progress	3,878.00	3,519.46
Scrap	67.43	59.30
	4,035.61	3,623.02
	(1,421.38)	(412.59)

36 EXCISE DUTY ON SALES

Particulars	March 31, 2019	March 31, 2018
Excise Duty on Sales	-	401.60
	-	401.60

37 EMPLOYEE BENEFIT EXPENSES

Particulars	March 31, 2019	March 31, 2018
Salaries & Wages	1,288.75	1,186.57
Contribution to Provident & Other Funds	56.58	51.67
Staff Welfare Expenses	41.58	44.05
	1,386.91	1,282.29

38 FINANCE COST

Particulars	March 31, 2019	March 31, 2018
Interest Expense (Refer Note No 38.1)	201.64	142.64
Unwinding of interest on security deposits	0.42	0.47
Other Borrowing Cost		
Bank Finance Cost	18.33	42.34
	220.39	185.45
Note No. 38.1 : Break-up of Interest Expense		
Interest expense on bank borrowings	193.19	141.12
Interest expense on vehicle loan	8.45	1.52
	201.64	142.64

(Rupees in Lakhs)

39 DEPRECIATION & AMORTIZATION EXPENSES

Particulars	March 31, 2019	March 31, 2018
Depreciation on Property, Plant and Equipment	620.20	608.09
Depreciation on Investment Property	10.52	11.06
Amortisation on Intangible Assets	5.75	9.01
	636.47	628.16

40 OTHER EXPENSES

Particulars	March 31, 2019	March 31, 2018
Consumption of stores and spare parts	352.44	360.13
Consumable of tools & dies	183.76	207.67
Packing Expenses	37.08	43.47
Power & fuel	492.33	487.92
Processing & Labour Charges	417.70	366.96
Rent	6.53	10.77
Repairs to Buildings	8.06	4.63
Repairs to Machinery	62.18	73.24
Repairs to Others	21.17	24.34
Security Expenses	38.85	30.03
Freight Outward Export	49.68	60.77
Insurance	14.79	11.40
Rates and taxes	9.41	8.03
Advertisement & Sales Promotion	26.74	19.34
Bank Charges	17.71	23.02
Commission on Sales	28.82	22.59
Cost Audit Fees	0.50	0.52
Electricity Expenses	2.53	3.11
Royalty	21.13	19.39
Travelling and Conveyance Expenses	103.96	59.60
Legal & Professional Charges	85.18	68.72
Telephone & Telex Expenses	8.10	9.27
Vehicle Expenses	42.93	33.69
Directors' Fees	4.80	4.20
In house R&D Expenses	16.62	13.20
Exchange Fluctuation (Net)	2.15	-
CSR Expenditure	45.50	35.73
Loss on Sale of Property Plant & Equipment	12.81	12.93
Donation	25.64	15.11
Bad Debts Written off		24.17
Less: Allowance for Doubtful debts written back	-	24.17
Allowances for doubtful debts	10.35	-
Payment to Statutory Auditor (Refer Note No 40.1)	4.04	4.02
Miscellaneous Expenses	220.52	208.44
	2,374.01	2,242.24

(Rupees in Lakhs)

Note No 40.1: Payment to Statutory Auditors**As Auditor**

Audit Fees	3.00	3.20
Limited Review Fees	0.75	0.75
GST/Service Tax *	0.78	0.12

Company law Matters

Certification and Other Services	0.29	0.07
	4.82	4.14

* Out of above GST/Service Tax credit of Rs. 0.78 Lakhs (Previous Year Rs. 0.12 Lakhs) has been taken and the same has not been debited to Statement of Profit and Loss.

41 EXCEPTIONAL ITEMS

Particulars	March 31, 2019	March 31, 2018
Profit/(Loss) on Hedging Contracts	293.05	305.46
	293.05	305.46

42 EARNING PER SHARE

Particulars	Period ended March 31, 2019	Year ended March 31, 2018
Profit attributable to Equity Shareholders (Rs.)	1,668.13	1,640.32
No. of Equity Share outstanding during the year (Nos.)	3,24,50,000	3,24,50,000
Face Value of each Equity Share (Rs.)	1.00	1.00
Basic & Diluted earning per Share (Rs.)	5.14	5.05

43 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The Company's net debt includes Current and non current borrowings less cash and cash equivalents.

Particulars	31 March 2019	31 March 2018
Borrowings	2,126.23	1,333.05
less- Cash and Cash equivalents	9.14	67.06
Net Debt	2,117.09	1,265.99
Total Equity	13,761.80	12,693.26
Capital and Net debt	15,878.89	13,959.25
Gearing ratio	13.33%	9.07%

44 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis.	Strict credit control and monitoring system based on well established & institutionalised credit policy. With high impact customer, company has a policy of taking advance against silver (raw material) booked by them.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents.
3	Market Risk – Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis on quarterly basis.	The Company is having natural hedging as it is net exporter.
4	Price Risk – Commodity Prices	Basic ingredients of company raw material is Silver where prices are volatile.	The company is exposed to the risk of price fluctuation of silver (Raw Material).	The Company proactively manage this risk through hedging, inventory management. The Company's reputation for quality with robust marketing existence, mitigate the impact of price risk on finished goods. The company is able to pass on price hike to the customer.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, and other business risks affecting business operation. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks.

Credit Risk Management

The Company source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and

(Rupees in Lakhs)

continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses.

The maximum exposure to credit risk as at 31 March 2019 & 31 March 2018 is the carrying value of such trade receivables as shown in note 13 of the financials.

The Credit Loss allowances are provided in the case of trade receivables as under:

Loss allowance as on 31 March 2018	9.83
Change in loss allowance	10.35
Loss allowance as on 31 March 2019	20.18

(B) Liquidity Risk

Liquidity risk represents the inability of the Company to meet its financial obligations within stipulated time. To mitigate this risk, the Company maintains sufficient liquidity by way of working capital limits from banks.

(C) Market risk

Foreign currency risk

The Company operates in domestic market. The company also has export. The company is having natural hedging as its exports are more than its imports. Hence foreign currency risk towards export is insignificant.

The Company imports certain materials which is significantly less with respect to total raw material procurement. Currently, Company does not hedge this exposures as it has natural hedging due to company being net exporter. Nevertheless, Company may wish to hedge such exposures.

Open exposure

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	GBP	Euro	USD	CHF
31 March 2019				
Trade receivables- Foreign Currency	2,412.30	12,58,004.33	2,95,950.38	-
Trade receivables- INR	2.16	964.89	202.96	-
Trade payables- Foreign Currency	-	2,05,670.06	30,063.93	-
Trade payables- INR	-	160.61	20.82	-
31 March 2018				
Trade receivables- Foreign Currency	-	12,52,926.95	96,178.96	-
Trade receivables- INR	-	1,000.09	62.05	-
Trade payables- Foreign Currency	-	2,18,933.72	1,23,688.10	1,635.60
Trade payables- INR	-	177.91	80.58	1.13

Sensitivity Analysis -

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa. The exposures is insignificant in case of GBP & CHF.

Particulars	31 March 2019 INR	31 March 2018 INR
Euro	40.21	41.11
USD	9.11	(0.93)
Total	49.32	40.18

(D) Price risk

The company is exposed to price risk in basic ingrediants of Company's raw material. The Company monitors its price risk and factors the price increase in pricing of the products.

45 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:
(Related Parties are identified by the management, auditor's have relied upon the same)

(A) Names of related parties and description of relationship:

1. Enterprises over which key management personnel and relative of such personnel have significant influence

- (i) Modison (Partnership Firm)
- (ii) Modison Copper Pvt. Ltd.
- (iii) Modicon Pvt. Ltd.
- (iv) Dishah Innovative Solutions Pvt. Ltd.
- (v) Modison Engineering Pvt. Ltd.

2. Enterprises over which Company has Control:

- (i) Modison Contacts Pvt Ltd - Subsidiary Company (upto 25 February, 2019)

3. Key Management Personnel

- (i) Mr. G. L. Modi - Managing Director
- (ii) Mr. Rajkumar Modi - Whole-time Director
- (iii) Mr. Kumar Jay Modi - Whole-time Director
- (iv) Mr. Rakesh Singh - Whole-time Director (upto 31st October 2018)

(Rupees in Lakhs)

4. Relatives of Key Management Personnel

- (i) Mrs. Chandramani Devi Modi - Mother of Mr. Rajkumar Modi
- (ii) Mr. Omprakash Modi - Bother of Mr. G. L. Modi
- (iii) Ms. Anshika Rajkumar Modi - Daughter of Mr. Rajkumar Modi

B) Details of Transactions during the year with related parties.

S. No.	Related parties	Nature of Transactions during the year	2018-19 (Rs.)	2017-18 (Rs.)
(i)	Mr. G.L. Modi	Short-term employee benefits	161.87	144.44
		Post retirement benefits	4.72	3.74
		Sale of share of subsidiary company	7.10	-
(ii)	Mr. Rajkumar Modi	Short-term employee benefits	75.01	75.45
		Post retirement benefits	2.55	2.55
		Sale of share of subsidiary company	5.98	-
(iii)	Mr. Kumar Jay Modi	Rent Paid	1.34	1.98
		Short-term employee benefits	47.52	27.92
		Post retirement benefits	2.26	1.31
		Sale of share of subsidiary company	1.87	-
(iv)	Mr. Rakesh Singh	Short-term employee benefits	54.95	58.59
		Post retirement benefits	0.13	0.22
(v)	Mrs. Chandramani Devi Modi	Rent Paid	3.00	3.00
(vi)	Modicon Pvt. Ltd.	Sale of Goods	36.09	41.92
		Purchase of Goods	0.19	4.12
(vii)	Modison Copper Pvt. Ltd.	Purchase of Goods	2,447.06	2,224.49
		Purchase of Plant & Machinery	0.09	-
		Sale of Goods	283.36	101.34
		Sale of Plant & Machinery	6.87	-
		Service Rendered	0.30	0.51
		Service Received	3.06	35.84
(viii)	Dishah Innovative Solutions Pvt. Ltd.	Sale of Goods	0.48	0.43
		Service Received	5.54	3.79
(ix)	Modison (Partnership Firm)	Royalty (Including GST/Service Tax Rs. 3.80 Lakhs (Previous Year Rs.3.30 Lakhs)	24.93	22.73
(x)	Modison Engineering Pvt. Ltd.	Sale of Goods	0.45	0.38
(xi)	Mr. Omprakash Modi	Service Received	10.00	5.00
(xii)	Ms. Anshika Rajkumar Modi	Short-term employee benefits	2.39	-
		Post retirement benefits	0.09	-

(Rupees in Lakhs)

c) Balances at end of the year with related parties.

S. No.	Related parties	Nature of Transactions during the year	As at 31 st March, 2019	As at 31 st March, 2018
(i)	Mr. G.L. Modi	Short-term employee benefits payable	17.86	15.03
		Post retirement benefits payable	44.32	39.82
(ii)	Mr. Rajkumar Modi	Short-term employee benefits payable	9.02	9.02
		Post retirement benefits payable	42.06	39.72
(iii)	Mr. Kumar Jay Modi	Short-term employee benefits payable	7.80	5.80
		Post retirement benefits payable	13.01	10.96
(iv)	Mr. Rakesh Singh	Short-term employee benefits payable	-	2.81
(v)	Mr. Omprakash Modi	Service Receivable	9.00	4.50
(vi)	Ms. Anshika Rajkumar Modi	Short-term employee benefits payable	0.43	-
		Post retirement benefits payable	-	-

46 Employee Benefits

As per IND AS 19 “Employee Benefits”, the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Providend Fund. The expenses recognised for the year are as under :

Particulars	2018-19 Rs.	2017-18 Rs.
Employer’s Contribution to Providend Fund	38.51	33.75

(ii) Defined Benefit Plan**(a) Gratuity:**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

(b) Leave encashment:

The Company has a policy on leave encashment which is applicable to all. The expected cost of accumulating leave encashment is determined based on the policy taken by the company from LIC which provides information on the obligation of the Company.

(Rupees in Lakhs)

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company.

(c) Major category of plan assets

The Company has taken plans from Life Insurance Corporation of India

(d) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2019 and 31 March 2018.

Sr. No.	Particulars	2018-19		2017-18	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Rs.	Rs.	Rs.	Rs.
I	Changes in present value of obligations				
(a)	Present value of obligations as at the beginning of year	21.87	169.18	20.54	147.21
(b)	Interest cost	1.75	13.53	1.64	11.78
(c)	Current Service Cost	1.41	11.61	1.19	10.54
(d)	Benefits Paid	(5.88)	(10.46)	(0.52)	(4.50)
(e)	Actuarial gain on obligations	1.81	10.99	(0.98)	4.16
(f)	Present value of obligations as at the end of year	20.96	194.85	21.87	169.18

II Changes in the fair value of plan assets

(a)	Fair value of plan assets at the beginning of year	21.42	150.93	17.22	128.77
(b)	Expected return on plan assets	1.43	13.01	1.52	11.31
(c)	Contributions	0.34	17.27	3.19	15.34
(d)	Benefits paid	(5.88)	(10.46)	(0.52)	(4.50)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	17.30	170.75	21.42	150.93

III Change in the present value of the defined benefit obligation and fair value of plan assets

(a)	Present value of obligations as at the end of the year	20.96	194.85	21.87	169.18
(b)	Fair value of plan assets as at the end of the year	17.30	170.75	21.42	150.93
(c)	Net (liability) / asset recognized in balance sheet	(3.66)	(24.10)	(0.46)	(18.25)

(Rupees in Lakhs)

(e) Amount for the year ended 31 March, 2019 and 31 March, 2018 recognised in the statement of profit and loss under employee benefit expenses.

Sr. No.	Particulars	2018-19		2017-18	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Rs.	Rs.	Rs.	Rs.
I	Expenses Recognised in statement of Profit & Loss				
(a)	Current Service cost	1.41	11.61	1.19	10.54
(b)	Interest Cost	1.75	13.53	1.64	11.78
(c)	Expected return on plan assets	(1.43)	(13.01)	(1.52)	(11.31)
(d)	Net Actuarial gain recognised in the year	1.81	10.99	(0.98)	4.16
(e)	Expenses recognised in statement of Profit & Loss Account	3.54	23.12	0.34	15.16

(f) Amount for the year ended March 31, 2019 and March 31, 2018 recognised in the statement of other comprehensive income.

Sr. No.	Particulars	2018-19		2017-18	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		Rs.	Rs.	Rs.	Rs.
I	Actuarial Gain/Loss recognized				
(a)	Actuarial gain for the year -Obligation	(1.81)	(10.99)	0.98	(4.16)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	1.81	10.99	(0.98)	4.16
(d)	Total actuarial (gain)/ loss included in other comprehensive income	1.81	10.99	(0.98)	4.16

47 Derivatives

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2019		As on 31.03.2018	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Amount Receivables	EURO	12,58,004.33	964.89	12,52,926.95	1,000.09
	GBP	2,412.30	2.16	-	-
	USD	2,95,950.38	202.96	96,178.96	62.05

(b) Amount Payable in Foreign Currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2019		As on 31.03.2018	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Amount Payable	EURO	2,05,670.06	160.61	2,18,933.72	177.91
	GBP	-	-	-	0.00
	USD	30,063.93	20.82	1,23,688.10	80.58
	CHF	-	-	1,635.60	1.13

48 RESEARCH AND DEVELOPMENT EXPENDITURE

S. No.	Particulars	2018-19 (Rs.)	2017-18 (Rs.)
(i)	Capital Expenditure included in Fixed Assets	2.90	8.55
(ii)	Contribution to Scientific Research Association	-	4.60
(iii)	Revenue Expenditure included in Employee Benefit	34.26	35.13
(iv)	Revenue Expenditure included in Other Expenses & depreciation on R&D Capital assets	35.39	13.47

49 SEGMENT REPORTING

The Company's business activity falls within a single Primary segment viz. : "Manufacturing of Electrical Contacts". Since the sales outside India is more than 10% of the total sales, geographical segment is reported as the secondary segment.

S. No.	Particulars	2018-19		2017-18	
		With India	Outside India	With India	Outside India
(i)	Segment Revenue	17,622.18	4,476.63	17,375.89	3,293.09
(ii)	Segment Assets	16,757.02	1,256.99	14,924.24	1,285.49
(iii)	Addition Fixed Assets	340.51	206.71	617.37	-

50 LEASES:

The company's major leasing arrangements are in respect of staff quarters and office premises taken on Leave and License basis. The aggregate lease rentals of Rs 6.53 Lakhs (Previous Year: 10.77Lakhs) are charged as Rent and shown under the Note No. 40 "Other Expenses". These leasing arrangements, which are cancelable, range between eleven months and three years generally or longer and are usually renewable by mutual consent at mutually agreed terms and conditions.

The Company's major leasing arrangements are in respect of investment properties given on leave and licence basis. These leasing arrangements, which are cancellable, is for the period of 2 years and are usually renewable by mutual consent at mutually agreed terms and conditions. During the year both the flats were

partly vacate. The aggregate rentals of Rs. 14.30 Lakhs (March 2018: Rs.13.24 Lakh) collected as Licence Fees and shown under Note No. 32 “Other Income”.

51 FAIR VALUE MEASUREMENT-

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables, Borrowings and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

52 Effective April 1, 2018, the Company adopted Ind AS 115 ‘Revenue from contracts with customers’. The effect on adoption of Ind AS 115 on the financial results is insignificant.

53 During the year, the company has sold its investment in subsidiary and as at the year ended 31st March, 2019, the company does not have any investment in the subsidiary. Hence consolidated financial statements are not applicable in Current Year.

54 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

**FOR KANU DOSHI ASSOCIATES LLP
CHARTERED ACCOUNTANTS**

Firm’s Registration Number: 104746W/W100096

**KUNAL VAKHARIA
PARTNER
MEMBERSHIP NO. 148916**

**PLACE : MUMBAI
DATED : 28th May, 2019**

FOR AND ON BEHALF OF THE BOARD

**G.L. MODI
DIRECTOR
DIN: 00027373**

**RAMESH KOTHARI
CHIEF FINANCIAL OFFICER**

**SURESH MODY
DIRECTOR
DIN: 00027432**

**DEEPASHREE DADKAR
COMPANY SECRETARY**

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